



# TOWN OF FOREST CITY FY 2019/2020 BUDGET



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***TOWN OF FOREST CITY, NC***

**ANNUAL BUDGET  
FISCAL YEAR 2019-2020**

***City Council***

Steve Holland, Mayor

***Commissioners***

Dee Dee Bright

Justin Conner

David Eaker

Chris Lee

Shawn Moore

***City Manager***

John Condrey

***Finance Director***

Roxanne Stiles

***City Clerk***

Emily Sain

**TOWN OF FOREST CITY**  
**NORTH CAROLINA**  
**2019-2020 Budget Ordinance**

**SECTION 1:** The following amounts are hereby appropriated for the operation of town government and its activities for the fiscal year beginning July 1, 2019 and ending June 30, 2020.

**GENERAL FUND EXPENDITURES**

GOVERNING BODY	\$ 67,289
ADMINISTRATION	\$ 4,399,045
FINANCE	\$ 312,510
LEGAL	\$ 48,263
WAREHOUSE AND GARAGE	\$ 80,636
PUBLIC WORKS BUILDING	\$ 108,140
POLICE	\$ 3,261,168
FIRE	\$ 1,602,074
CODE ENFORCEMENT	\$ 522,605
COMMUNITY DEVELOPMENT & EVENTS	\$ 528,520
POWELL BILL	\$ 234,187
STREETS	\$ 1,583,339
CEMETERY	\$ 18,000
SANITATION	\$ 1,313,174
DEBT SERVICE	\$ 52,744
<b>TOTAL GENERAL FUND</b>	<b>\$ 14,131,694</b>

**FLORENCE MILL**

\$ -

**PARKS AND RECREATION EXPENDITURES**

LIBRARY	\$ 172,733
CALLISON RECREATION CENTER	\$ 348,164
COOL SPRINGS GYM	\$ 49,013
PARKS AND PLAYGROUNDS	\$ 599,721
McNAIR MUNICIPAL PARK	\$ 113,514
PAVILION ON PARK SQUARE	\$ 126,402
CLAY STREET POOL	\$ 98,732
ATHLETIC PROGRAMS	\$ 107,600
GOLF COURSE	\$ 694,294
FOREST CITY CLUB HOUSE	\$ 38,132
DEBT SERVICE	\$ 179,661
<b>TOTAL PARKS AND RECREATION</b>	<b>\$ 2,527,966</b>

**WATER AND SEWER EXPENDITURES**

ADMINISTRATION AND BILLING	\$ 712,308
WATER OPERATION AND CONSTRUCTION	\$ 983,000
WATER PLANT	\$ 1,017,233
SEWER OPERATION AND CONSTRUCTION	\$ 629,719
WASTEWATER TREATMENT PLANT	\$ 960,387
WASTEWATER TREATMENT - RIVERSTONE	\$ 199,535
WATER / SEWER PUMP MAINTENANCE	\$ 845,587
WATER METER SERVICES	\$ 124,297
DEBT SERVICE	\$ 79,720

TRANSFERS TO OTHER FUNDS	\$ -
<b>TOTAL WATER AND SEWER EXPENDITURES</b>	<b>\$ 5,551,786</b>

**ELECTRIC FUND EXPENDITURES**

ADMINISTRATION AND BILLING	\$ 801,910
ELECTRIC OPERATIONS AND CONSTRUCTION	\$ 9,245,379
ELECTRIC METER SERVICES	\$ 142,111
DEBT SERVICE	\$ 17,475
TRANSFERS TO OTHER FUNDS	\$ 3,950,600
<b>TOTAL ELECTRIC FUND EXPENDITURES</b>	<b>\$ 14,157,475</b>

<b>SUBTOTAL OF ALL FUNDS</b>	<b>\$ 36,368,921</b>
LESS INTERFUND TRANSFERS	\$ (3,950,600)
<b>TOTAL BUDGET FUNDS</b>	<b>\$ 32,418,321</b>

SECTION 2: It is estimated that the following revenues will be available during the fiscal year beginning on July 1, 2019 and ending June 30, 2020 to meet the above appropriations.

**GENERAL FUND REVENUES**

TAX INTEREST AND COST	\$ 13,000
AD VALOREM TAXES PRIOR YEARS	\$ 30,000
AD VALOREM TAXES F/Y 2019-2020	\$ 5,406,676
AUTO TAXES-COLLECTIONS FROM STATE	\$ 114,800
VEHICLE RENT TAXES F/Y 2019-2020	\$ 20,000
DOWNTOWN ACTIVITIES	\$ 14,000
EVENT SPONSORSHIPS	\$ 20,000
LOCAL SALES TAX	\$ 1,400,000
UTILITY FRANCHISE TAX	\$ 871,000
ABC PROFIT REVENUE	\$ 195,689
BUILDING PERMITS	\$ 150,000
CODE ENFORCEMENT REVENUE	\$ 20,000
SOLID WASTE DISPOSAL TAX DISTRIBUTION	\$ 5,500
COURT FEES AND CHARGES	\$ 3,000
FIRE PROTECTION CHARGES	\$ 5,000
STATE FIRE FUND REVENUE	\$ 6,000
FIRE DISTRICT TAX	\$ 11,020
TDA GRANTS	\$ 50,000
POWELL BILL STREET ALLOCATION	\$ 240,000
BOSTIC GENERAL WORK	\$ 1,000
MULCH SALES	\$ 500
SANITATION	\$ 1,295,800
INTEREST EARNED ON GENERAL FUND	\$ 45,000
INTEREST EARNED ON POWELL BILL	\$ 4,000
BEER/WINE EXCISE TAX	\$ 33,000
HOLD HARMLESS REVENUES FROM STATE-SALES TAX	\$ 395,000
CONTROLLED SUBSTANCE TAX DISTRIBUTION	\$ 10,000
RETURNED CHECK FEE	\$ 3,000
PAYMENT IN LIEU OF TAX LOCAL	\$ 13,000

FCHA-SALARY SUPPORT	\$	10,000
POLICE SECURITY SUPP-FCHA	\$	11,000
POLICE SECURITY SUPP-FC OWLS	\$	10,000
POLICE SECURITY SUPP-FC CLUBHOUSE	\$	2,000
POLICE TAKE HOME CAR REVENUE	\$	1,800
RENTS-BANK BUILDING	\$	36,000
ON BEHALF FIRE PENSIONS	\$	3,500
STREET PAVING AND DEVELOPERS COST	\$	3,000
SALE OF CEMETERY LOTS	\$	7,000
MISCELLANEOUS REVENUES	\$	-
TRANSFER FROM ELECTRIC FUND	\$	2,589,534
FUND BALANCE APPROPRIATED	\$	1,081,875
<b>TOTAL GENERAL FUND REVENUES</b>	<b>\$</b>	<b>14,131,694</b>

**FLORENCE MILL FUND REVENUES**

FUND BALANCE APPROPRIATED	\$	-
<b>TOTAL FLORENCE MILL FUND REVENUES</b>	<b>\$</b>	<b>-</b>

**PARKS AND RECREATION FUND REVENUE**

PENALTY - LATE BOOK RETURN	\$	1,400
CONCESSIONS AT CALLISON CENTER	\$	1,300
ORGANIZED PROGRAM RECEIPTS	\$	20,000
McNAIR FIELD LEASE	\$	22,000
McNAIR FIELD RENTAL	\$	12,000
RENTS - CALLISON CENTER	\$	2,000
RENTS - TOWN PARK	\$	9,000
POOL ADMISSION	\$	14,000
SEASON TICKETS	\$	5,000
SWIMMING LESSONS	\$	3,000
POOL PARTY LIFEGUARD SECURITY	\$	4,200
GOLF COURSE GREEN FEES	\$	35,000
GOLF COURSE MEMBERSHIP FEES	\$	45,000
RENTS - GOLF CARTS	\$	90,000
CONCESSIONS - GOLF COURSE	\$	5,000
CONCESSIONS - TOWN PARK	\$	2,000
RENTS - FOREST CITY CLUB HOUSE	\$	20,000
MISCELLANEOUS	\$	4,000
INTEREST EARNED - RECREATION FUND	\$	20,000
PARTF GRANT THERMAL BELT RAIL TRAIL	\$	350,000
FIXED ASSETS SOLD	\$	72,000
TRANSFER FROM WATER / SEWER	\$	-
TRANSFER FROM ELECTRIC FUND	\$	1,361,066
FUND BALANCE APPROPRIATED	\$	430,000
<b>TOTAL PARKS AND RECREATION FUND REVENUES</b>	<b>\$</b>	<b>2,527,966</b>

**WATER AND SEWER FUND REVENUES**

TAPS AND CONNECTION FEES	\$	40,000
CHARGES FOR UTILITIES / WATER	\$	3,560,000
CHARGES FOR UTILITIES / SEWER	\$	1,600,000
ELLENBORO SEWER CHARGES	\$	75,000
INTEREST EARNED WATER / SEWER FUND	\$	60,000

CUSTOMER SERVICE / MISCELLANEOUS	\$ 3,600
SERVICE INCOME - BOSTIC, CONCORD, ELLENBORO	\$ 40,000
SEPTAGE USER FEES	\$ 6,000
HORSEHEAD ID LOAN REPAYMENT	\$ 142,858
WATER TANK-ANTENNA RENTS	\$ 24,328
FUND BALANCE APPROPRIATED	\$ -
<b>TOTAL WATER AND SEWER FUND REVENUES</b>	<b>\$ 5,551,786</b>

**ELECTRIC FUND REVENUES**

ELECTRIC UTILITY CHARGES	\$ 12,500,000
RENEWABLE ENERGY RIDER	\$ 65,000
TAPS AND CONNECTIONS FEES	\$ 2,000
PENALTY FOR LATE PAYMENT	\$ 150,000
TRANSFER FEES	\$ 5,000
DELINQUENT ADMIN FEES	\$ 100,000
INTEREST EARNED ELECTRIC FUND	\$ 60,000
POLE RENTAL	\$ 11,208
SERVICE INCOME - BOSTIC	\$ 20,000
FUND BALANCE APPROPRIATED	\$ 1,244,267
<b>TOTAL ELECTRIC FUND REVENUE</b>	<b>\$ 14,157,475</b>

<b>SUBTOTAL ALL REVENUE</b>	<b>\$ 36,368,921</b>
<b>LESS INTERFUND TRANSFERS</b>	<b>\$ (3,950,600)</b>
<b>TOTAL REVENUES BUDGETED</b>	<b>\$ 32,418,321</b>

**SECTION 3:** There is hereby levied the following rates of tax on each one hundred dollars (\$100.00) valuation of taxable property as listed for taxes as of January 2019 for the purpose of raising the revenue from current years property tax as set forth in the foregoing estimates of revenue and in order to finance the foregoing appropriations.

The General Fund for the general expenses incident to the proper government of the Town of Forest City is \$.28 per \$100.00 valuation. This tax rate is based on an estimated total assessed valuation property for purposes of taxation of \$1,992,248,798

**SECTION 4:** Copies of this ordinance shall be furnished to the clerk to be kept on file and to the finance director for direction in distribution of town funds.

**SECTION 5:** This ordinance adopted this 17<sup>TH</sup> day of June 2019.

**SECTION 6:** This ordinance shall take effect July 1, 2019.

  
\_\_\_\_\_  
Mayor

ATTEST:

  
\_\_\_\_\_  
City Clerk

\*\*\* The following page summarizes the changes made to the recommended budget for FY 2019-2020 during council budget sessions. These changes were made after the budget message was written.\*\*\*



**Summary of Approved Changes  
FY 2019-2020**

**Expenditures**

	Recommended	Adjustments	Adjusted Total
General Fund	\$ 14,126,806		
Contribution to fund Youth Council		\$ 4,000	
Reduce Facebook Economic Incentive Grant		\$ (131,612)	
Enhanced Landscape Pine St Rail Trail		\$ 25,000	
108 Building front entrance upgrades		\$ 7,500	
Fall/Spring Concert at POPS		\$ 100,000	
<b>General Fund Adjusted Total</b>			<b>\$ 14,131,694</b>
Parks & Rec Fund	\$ 2,447,966		
Grading at Crowe Park for play system install		\$ 50,000	
Guttering and downspouts on POPS buildings		\$ 30,000	
<b>Parks &amp; Rec Fund Adjusted Total</b>			<b>\$ 2,527,966</b>
Water & Sewer Fund - No changes	\$ 5,551,786		\$ 5,551,786
Electric Fund	\$ 14,044,867		
Led overhead lighting downtown		\$ 27,000	
Led overhead lighting extended on Main St		\$ 10,000	
Town lighting improvements, various areas		\$ 75,608	
<b>Electric Fund Adjusted Total</b>			<b>\$ 14,157,475</b>
	<b>\$ 36,171,425</b>	<b>\$ 197,496</b>	<b>\$ 36,368,921</b>

**Revenues**

	Recommended	Adjustments	Adjusted Total
General Fund	\$ 14,126,806		
Reduce tax rate \$0.29 to \$0.28 Ad valorem		\$ (193,096)	
Reduce tax rate \$0.29 to \$0.28 Auto		\$ (4,100)	
Fund Balance Appropriated		\$ 202,084	
<b>General Fund Adjusted Total</b>			<b>\$ 14,131,694</b>
Parks & Rec Fund	\$ 2,447,966		
Fund Balance Appropriated		\$ 80,000	
<b>Parks &amp; Rec Fund Adjusted Total</b>			<b>\$ 2,527,966</b>
Water & Sewer Fund - No changes	\$ 5,551,786		\$ 5,551,786
Electric Fund	\$ 14,044,867		
Fund Balance Appropriated		\$ 112,608	
<b>Electric Fund Adjusted Total</b>			<b>\$ 14,157,475</b>
	<b>\$ 36,171,425</b>	<b>\$ 197,496</b>	<b>\$ 36,368,921</b>



**TOWN OF FOREST CITY, NORTH CAROLINA  
FY 2019-2020 BUDGET MESSAGE**

***To the Honorable Mayor and Council Members***

The proposed budget for fiscal year 2019-2020 is presented for your consideration. This recommended budget is balanced based on a tax rate of \$0.29 cents per \$100 valuation. The net value of one cent of property tax (after applying the collection rate) is \$197,196. The budget message is divided into the following sections:

	<u>Beginning Page #</u>
I. Introduction .....	2
II. Property Tax, Water and Sewer, and Electric Rate Comparisons.....	4
III. General Fund.....	6
IV. Florence Mill Fund .....	13
V. Forest City Pavilion on Park Square .....	13
VI. Rails to Trails.....	13
VII. PartF Grant.....	14
VIII. Parks and Recreation Fund.....	15
IX. Water and Sewer Fund.....	16
X. Electric Fund .....	19
XI. Capital Requests and Recommendations .....	21
XII. 2019 Property Values and Facebook Impact .....	25
XIII. Fund Balance.....	26
XIV. Interfund Transfers .....	28
XV. Debt Service Summary.....	29
XVI. Future Strategic Planning/Long Term Capital Plan .....	29
XVII. Employee Requests/ Benefits/Cost of Living Adjustment (COLA)/Certifications .....	31
XVIII. Conclusion.....	33

Appendix A	General Fund-Revenue and Expenditure Budget .....	35
Appendix B	PartF Grant Components .....	53
Appendix C	Parks Capital Items Explanation .....	55
Appendix D	Parks & Recreation Fund-Revenue and Expenditure Budget .....	62
Appendix E	Water Treatment Filter Consoles .....	73
Appendix F	Water & Sewer Fund-Revenue and Expenditure Budget.....	75
Appendix G	Electric Fund-Revenue and Expenditure Budget.....	85
Appendix H	Options for Buildings Behind the 108 .....	90
Appendix I	Town Hall.....	104
Appendix J	Full Time Authorized Positions by Department.....	117
Appendix K	Certifications/Career Development .....	119

**I. INTRODUCTION**

The FY 2019-2020 budget is presented to the Mayor and Town Council for your consideration. The purpose of this budget message is to share the major features of the Town’s operations as it relates to the budget. The chart below shows the five major funds which make up the Town budget.

**Chart 1: TOWN OF FOREST CITY FY 2018-2019 AMENDED  
FY 2019-2020 REQUESTED & RECOMMENDED BUDGETS**

	<u>Amended FY 2018-19</u>	<u>Requested FY 2019-20</u>	<u>Recommended FY 2019-20</u>
General Fund	\$13,739,828	\$15,617,033	\$14,126,806
Florence Mill Fund	\$ 25,000	\$ 0	\$ 0
Parks & Recreation Fund	\$ 4,826,920	\$ 2,637,966	\$ 2,447,966
Water & Sewer Fund	\$ 6,273,367	\$ 7,071,318	\$ 5,551,786
Electric Fund	<u>\$13,247,303</u>	<u>\$14,935,436</u>	<u>\$14,044,867</u>
<b>TOTAL</b>	<b>\$38,112,418</b>	<b>\$40,261,753</b>	<b>\$36,171,425</b>

The requested budget for FY 2019-2020 in the amount of \$40,261,753 was reduced after careful consideration and meetings between Town staff to a recommended amount of \$36,171,425. The major reason for the budget increase in the last few years is the growth in the economic development grant to Facebook, which now stands at \$3,819,554.

Chart 3 on page 21 shows a list of requested capital from all Town departments totaling \$6,117,731. After meeting with department heads and discussing the priorities for the Town, as well as expected revenue to cover requests, the capital included in the recommended budget has been reduced to \$2,366,076. This is a reduction of \$3,751,655.

There are several projects that are not in this budget but are recommended for discussion by the Board. This list is provided to the Board to enlist your conversation and guidance. The projects are not in priority order because staff is seeking your priority setting moving forward. The Board may wish to consider adding some of these items to the FY 2019-2020 budget.

- 1) Replace goals at Cool Springs gym; \$35,000
- 2) Forest City re-established the K9 Program at the Police Department in FY 2018-2019. The Police Department requested a second K9. This would be of benefit not only with the drug enforcement/drug epidemic, but also to track suspects/lost citizens, etc. and as a strong public relations benefit to the Town/Police Department. In the request, the Police Department stated that having two K9 officers and dogs would help increase the time that the dog and officer were on duty. The cost of an additional K9 is \$20,600.
- 3) Replace last remaining 150 power poles at \$320,000.
- 4) Members of the Grahamtown Community Garden have requested a curb cut and sidewalk replacement that will allow them to enter the community garden property. The cost is \$2,600.
- 5) This budget includes a COLA increase of 2.8% which is the same as the CPI/Social Security increase. Town employees go beyond the call of duty, represent the Town well, and show a tremendous amount of dedication to the Town of Forest City. The Board may want to give an additional \$250 per employee which would amount to \$33,750. Employees in the lower paid positions would benefit greater with this increase.
- 6) LED overhead lights in downtown were requested at a cost of \$27,000.
- 7) There has been discussion of a large Spring and Fall concert. The Park Committee discussed \$100,000 or \$50,000 per concert.
- 8) Several Town lighting improvements have been requested as follows: Additional lighting at cemetery, \$6,536; additional lighting at cemetery with concrete bases \$22,804; four decorative poles and replacing some sidewalk required at First Baptist Church, \$30,000; four decorative poles at Grace Street/South Broadway, \$22,804.
- 9) Town Staff use the 2004 Crown Victoria for education, conferences, and training. It is recommended to be replaced by a mid-sized SUV such as a Ford Explorer at a recommended cost of \$27,000.
- 10) Fencing along Oak Street sidewalk as barrier to the dog park, picnic, and play area for safety. This could prevent a child or dog from running into Oak Street. Around 800 ft. of black fencing like the fence at the ROC is estimated to cost \$22,400.
- 11) Guttering and Downspouts for Pump House, Concession Building and Colonnade at Park. The estimate to add guttering and downspouts in the park is \$30,000.

There was a total of five new employees requested in FY 2019-2020. However, after careful review, only two of those are being recommended at this time: Public Works, Locator Tech;

Public Works, Electric Groundman. More information can be found in Section XVII on page 31 has more information on employee requests, retirements, COLA increase, certifications, and other benefits.

A detailed discussion about Fund Balance is in Section XIII on page 26. Charts 7 and 8 on pages 26 and 27 show the General Fund Balance available for appropriation and the Enterprise Fund cash balances. A history of Interfund Transfers in Chart 9 is on page 28.

**II. PROPERTY TAX, WATER AND SEWER, AND ELECTRIC RATE COMPARISONS**

**Property Tax**

The major goal of the FY 2019-2020 budget is to maintain services without increasing property tax rates or user fees. Although this budget does not propose increases in property tax, water and sewer and electric rates, staff felt it was important to provide Council with comparisons of the Town’s rates with our peers.

Ad valorem property taxes, net of the Facebook levy, have increased by \$247,273 since the revaluation in 2012. Information provided by the Department of the State Treasurer, memo 2018-11, gives a comparison of the Town’s property tax rates. In comparison with municipalities right above and below the Town (in total population for towns with electric operations) the Town of Forest City has the lowest property tax rate at 29 cents. The highest rate is Ayden at 54 cents.

**Property Tax Value and Rate Comparison  
Municipalities with Electric Systems 2,500-9,999 Population  
Fiscal Year Ended June 30, 2017  
Comparison to Three Municipalities Above and Below Forest City Population**

<u>Municipality</u>	<u>Population</u>	<u>Jan 1, 2016 Value</u>	<u>Tax Rate</u>
Forest City	7,402	\$ 1,167,268,219 *	0.2900
Pineville	8,873	\$ 1,671,748,436	0.3500
Cherryville	5,919	\$ 363,858,734	0.4600
Winterville	9,368	\$ 773,401,686	0.4750
Selma	6,407	\$ 447,336,189	0.5100
Washington	9,561	\$ 871,281,373	0.5200
Ayden	4,996	\$ 232,629,823	0.5400

\* Included \$606,305,290 in Facebook value which is given as incentive.

SOURCE: <https://www.nctreasurer.com/slg/Memos/2018-11.pdf>

### ***Ad Valorem Tax Reappraisal***

In 2019 Rutherford County implemented a tax reappraisal. The property tax value for the Town of Forest City increased from \$1,604,371,636 in 2018 to \$1,992,248,798 in 2019. Two large factors need to be considered when reviewing this rate. The Town is required to provide a revenue neutral tax rate, which is the rate to produce the same amount of revenue as the prior year allowing for normal annual growth in value. Based on that calculation, the Town of Forest City's revenue neutral rate is 27.65 cents. Two huge factors make this rate unrealistic. First, the value of Facebook increased from \$1,009,107,586 in 2018 to \$1,317,121,873 in 2019. Likewise, Everest Textiles increased from \$43,905,719 in 2018 to \$60,730,728 in 2019. If these two companies were eliminated from the Town revenue neutral rate analysis, the revenue neutral rate calculation would have been 28.6 cents. Facebook's value makes up 66% of the Town's tax base and Everest makes up 3%. This leaves only 31% of the tax base for the remainder of the Town when comparing increases in normal annual growth.

This budget is based on a tax rate of 29 cents. There are two major reasons for that recommendation. First, the Local Government Commission has warned local governments against shifting dollars from Enterprise Funds (Electric and Water and Sewer) to the General Fund. Each year these warnings get louder. If those transfers are disallowed, the Town will have to make some huge operational changes as well as restructure its revenue system. Second, the Town is currently not being considered for state grants for water and sewer projects because of these transfers. Based on a tax rate of 29 cents in this budget, the Town did not transfer funds from the Water and Sewer Enterprise Fund. A future goal will be to continue to avoid transfers from the Water and Sewer Enterprise Fund.

*These values are subject to change based on appeals and tax relief applications received by the Rutherford County Revenue Department after this budget message was prepared.*

### ***Water and Sewer Rates***

Water rates have remained unchanged since July 1, 2008. Sewer rates were increased by \$0.75 per month on the minimum charge for 3,000 gallons in 2015, with a goal of making sewer rates close the gap between sewer charges and sewer expense. The Environmental Finance Center at the UNC School of Government and the North Carolina League of Municipalities provides a spreadsheet comparison of the Town's water and sewer residential rates with all other providers in the State of North Carolina. When comparing water rates at 3,000 gallons of usage (which is the usage that the minimum rate for Forest City is based on), the Town ranks 35 out of approximately 502 providers when comparing rates from the lowest to the highest. When comparing sewer rates at 3,000 gallons of usage (which is the usage that the minimum rate for Forest City is based on), the Town ranks 22

out of approximately 422 providers when comparing rates from the lowest to the highest. The spreadsheet is available upon request.

**Electric Rates**

An Electric Rate Study was conducted in 2016 to review residential, commercial, and industrial rates. The only change implemented as a result of the study was a reduction in the General Service Commercial rate. Electric rate increases approved in the past few years have been implemented to pass on the increases in Duke Energy’s wholesale rates to the Town. The last electric rate increase was 4.5% , effective January 1, 2014 to match the Duke Energy rate increase to the Town. The Board did not pass along the 2015 Duke Energy rate increase which was projected to be less than 1%. Increases in electric rates have not occurred in relation to the other ongoing operational expenses of the Electric Fund. On April 17, 2017 the Town amended its power supply contract with Duke Energy, which was a result of the coal ash expenses. The contract amendment allowed Duke to begin billing the Town for coal ash cost recovery effective July 1, 2017. After a Board decision to absorb one month of the coal ash costs, the Town increased rates to pass that increase to its electric customers. The Town has estimated the coal ash cost to represent a cost increase of roughly 3% to 10% of its billing from Duke. NOVA Energy Consultant Kevin O’Donnell will provide updated information on rate increases from Duke and the impact of the decrease of the corporate tax rates, so that when Forest City considers a rate adjustment in early 2020, all factors that might increase/decrease electric rates are known.

A comparison of the Town’s Electric Residential Rates for 2017 was provided to us from Nova Energy Consultants from the EIA-861 and EIA-861S forms. The Town ranks 36 out of 68 providers when comparing rates from the lowest to the highest. In summary, the Town has relatively low and very competitive rates when comparing property tax, water and sewer, and electric rates.

**III. GENERAL FUND**

**Revenues:**

Four revenue sources comprise approximately 68% of the General Fund recommended revenues. These sources are ad valorem taxes, sales taxes, electric utility franchise taxes and waste collection charges. Chart 2 gives a five-year history of these revenues:

**CHART 2: HISTORY OF MAJOR TOWN OF FOREST CITY  
GENERAL FUND REVENUES**

FY 15-16 Actual	FY 16-17 Actual	FY 17-18 Actual	FY 18-19 Estimated	FY 19-20 Recommended
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Ad valorem taxes	\$ 3,414,975	\$ 3,409,642	\$ 3,640,133	\$ 4,514,000	\$ 5,761,672
Sales taxes	\$ 1,311,522	\$ 1,434,265	\$ 1,495,761	\$ 1,577,000	\$ 1,795,000
Electric utility franchise taxes	\$ 893,646	\$ 873,089	\$ 869,143	\$ 860,000	\$ 871,000
Waste collection charges	\$ 1,044,080	\$ 1,222,537	\$ 1,172,951	\$ 1,240,000	\$ 1,295,800
Subtotal	\$ 6,664,223	\$ 6,939,533	\$ 7,177,988	\$ 8,191,000	\$ 9,723,472

\*Facebook accounts for \$3.8 million of the total ad valorem levy but is also reflected on the expenditure side as an incentive grant. Therefore, while ad valorem tax revenues have increased \$3.8 million due to Facebook, expenditures have increased by an equal amount.

### ***Ad Valorem Taxes***

Ad valorem taxes include current year taxes, prior year taxes and penalties and interest. The County Tax Office estimates that the Town's ad valorem tax base for FY 2019-2020 will be approximately \$1,992,248,798. Using the FY 2017-2018 property tax collection rate of 98.96% for all property excluding DMV and the FY 2017-2018 collection rate of 100% for DMV, this equates to a net collectible current year levy of \$5,731,672 (net value of one cent = \$197,196). Approximately \$3.8 million of this \$5,731,672 is Facebook levy of which 100% is returned as an economic incentive grant to Facebook. See Chart 4 on page 25 for more information on property values and the economic impact of Facebook. *These values are subject to change based on appeals and tax relief applications received by the Rutherford County Revenue Department after this budget message was prepared.*

### ***Sales Taxes***

The four articles of sales tax are estimated to increase from a budget of \$515,500, \$333,900, \$250,900 and \$344,000 in 2018-2019 to \$609,000, \$394,000, \$287,000 and \$395,000 in 2019-2020, respectively. This increase is largely attributable to the positive impact of Facebook's property value (based on the County use of ad valorem levy for sales tax distribution) and the statewide projected sales tax.

### ***Utility Franchise Taxes***

The state-collected Utility Franchise Taxes are expected to remain relatively the same with \$871,000 budgeted for FY 2019-2020. Revenue projection reports from the NC League of Municipalities estimate an increase of 1.5% for electricity sales tax and a 1.3% decrease for sales tax on piped natural gas. Projections estimate a decrease of 3.9% for telecommunications sales tax and 0.1% for local video programming revenues.

### ***Waste Collection Charges***

The Town contract with Republic Services renewed as of December 31, 2017 for an additional three-year period which began on July 1, 2018. As a part of the renewal process,



Republic agreed to provide 96-gallon roll out recycling carts to all residences and some small businesses. The Town contract with Republic calls for an automatic CPI increase based on All Urban Consumers in the Water and Sewer and Trash Collection Services category. The expected rate increase is 4.5% which would increase the average customer rate for curbside carts from \$19.80 to \$20.69. Republic Services notified the Town that the County may implement a recycling processing fee per ton as of July 1, 2019. As more details are known, the Board will be updated.

**Expenditures:**

This section is a brief narrative of changes in individual departments' expenditures that staff felt needed to be discussed in this report.

**Governing Body**

The **Governing Body** budget has included this information over the last few years. To continue to more accurately allocate the cost of administration of the Water and Sewer Fund and Electric Funds to those funds, two-line items (Water and Sewer Fund Reimbursement and Electric Fund Reimbursement) are included in several departments. This transfer began in FY 2014-2015 and continues in 2019-2020. As the State legislature continues to discuss transfers from Enterprise Funds to the General Fund and the Town is still not sure which position the State will eventually take, this budget allocates enterprise fund costs that have been charged to the General Fund in the past to those Enterprise Funds. A summary of those costs is below. In addition, funds are budgeted under Appreciation for a thank you event for volunteers who serve on various Town Boards and for events.

	Expenses previously charged to the General Fund now charged to		
	<u>Water/Sewer Fund</u>	<u>Electric Fund</u>	<u>Total</u>
Governing Body	\$ 32,283	\$ 16,021	\$ 48,304
Administrative	\$ 127,853	\$ 63,448	\$ 191,301
Finance	\$ 30,719	\$ 15,245	\$ 45,964
Legal	\$ 25,253	\$ 12,532	\$ 37,785
Warehouse/Garage	\$ 65,909	\$ 65,909	\$ 131,818
Public Works Buildings	\$ 74,009	\$ 74,009	\$ 148,018
Totals	\$ 356,026	\$ 247,164	\$ 603,190

The Town budgeted \$10,000 for an EDC contribution beginning in FY 2017-2018 and a similar \$10,000 contribution is also included in FY 2019-2020. Rutherford County EDC has transformed from a County department to a 501c-3/c-6 private nonprofit. This structure is being adopted in numerous locations.

### ***Administrative***

The **Administrative** budget requires several items of explanation. The line item Facebook Grant will increase from \$2,926,412 to \$3,819,653 which reflects the increased value of the Facebook facility from \$1,009,107,586 in FY 2018-2019 to \$1,317,121,873 in FY 2019-2020. This is discussed in further detail on page 25. The Building and Grounds Repairs and Maintenance will remain at \$50,000 to continue to improve the building both from a physical appearance standpoint and continue to repair structural issues. In the last few years the brick mortar joints have been replaced/repared, the drop ceiling has been replaced, the basement and foundation moisture issues have been corrected, the bathrooms and kitchen have been renovated, and the collections area had new counters and flooring installed. Some offices throughout the building have been painted and carpeted and this process is planned to continue.

One vehicle request was made to replace the 2004 Crown Victoria at an amount of \$27,000. This request is being placed in Section I. Introduction of the Budget Message for Board consideration. If the Police Department 2002 Chevrolet Tahoe is replaced, it is recommended that this vehicle be moved as a travel vehicle at City Hall. Multiple departments use the City Hall vehicle to attend classes and schools locally, statewide, and out of state.

### ***Finance***

The **Finance** budget continues to reflect a more accurate distribution of salaries and benefits of the finance staff between the General, Water & Sewer and Electric Funds as well as the indirect costs as discussed under the Governing Body section. There are no significant budget changes recommended in the Finance Department.

### ***Warehouse and Garage***

There is one recommendation for this department. It is recommended to purchase a lift for mowers, gators, compact tractors, etc. at a cost of \$5,895.

### ***Public Works Buildings***

The **Public Works Buildings** have no significant projects recommended in the FY 2019-2020 budget.

### ***Police***

The Police Department has requested six new vehicles at a total cost of \$244,500. Estimated cost includes stripping old equipment, installing new equipment, tag, title fees, and graphics/decals for patrol vehicles. This budget includes a recommendation to purchase five

of the six requested vehicles at a cost of \$203,750. The Police Department would determine the priority.

- 1- Evidence/Crime Scene truck/SUV, requested in last budget, 139,000 miles, transfer to Town Hall for multi-department use to meetings/training.
- 2- Animal Control truck, requested in last budget, 135,000 miles, will keep current truck as a spare for events to put out road blocks/cones/traffic control, plan to surplus older blue Chev truck currently used for this purpose, it was a seizure.
- 3- CID/Narcotic truck, current vehicle is Cadillac Escalade from a seizure, 162,000 miles
- 4- Patrol vehicle to replace 2009 Impala, 111,000 miles, vehicle needs to be surplus.
- 5- Patrol vehicle to replace 2012 Charger, 88,000 miles, needs to be surplus.
- 6- Patrol vehicle to replace 2012 Charger, 87,000 miles, will move to spare rotation.

### ***Fire/Volunteer Fire***

The recommended budget includes continuing the Fire Special District property tax at a rate of \$0.08 cents per \$100 valuation.

In the 2018-2019 budget the Town begin replacing the 24 self-contained breathing apparatus (SCBA). Our current SCBA have all passed their life expectancies. These units are checked weekly for readiness and far more frequently units must be taken out of service and sent for costly repairs. The high-pressure cylinders must be hydrostatically pressure tested periodically. Ours have reached their maximum number of allowed tests. These SCBA units are very important, they provide a means for firefighters to enter hostile environments during firefighting operations, rescue operations or any other hazardous environment where the air is not safe to breathe. It is important to note that when firefighters are operating in these environments we want to make sure the equipment they are using is reliable. Our current SCBA has reached a point where reliability is questionable. The total cost to replace the remaining 12 units and associated equipment is \$104,000.

Last year's budget listed the replacement of Engine 2210 as a future planning need as this engine reached its 30-year life expectancy in 2018. With the recent addition of the four-story Hampton Inn and Suites and Facebook, the fire department is needing a 100-foot aerial device. A new ladder truck is budgeted for FY 2019-2020 to replace the 1988 engine and Tower 1 will become an engine. This 100-foot ladder is needed to maintain the current ISO rating and to reach the top of the structures listed above. It is recommended to be financed over 10 years at 3%.

### ***Code Enforcement & Planning/Zoning***

There is one significant capital budget recommendation in FY 2019-2020. A 4WD truck is recommended to be purchased for Building Inspection that would be advantageous on

construction sites, storm problems and winter storms. The current 2004 Ford Ranger would be a shared vehicle between the Planner, Marketing and Events Coordinator, and Downtown and Community Development Manager.

There has also been a major reduction in outside Professional Services with Benchmark with the advancement of Town Planner Drew Harris. Mr. Harris's skill set is now such that he is performing the job duties associated with a Planner II.

***Community Development & Events***

Main Street and Downtown events include the annual car show, Halloween, Small Business Saturday, St. Patrick's Day, Memorial Day, Cherry Bounce Festival, and July 4<sup>th</sup> fireworks. The budget for these annual events is estimated at \$40,000.

Events planned for The Pavilion on Park Square include Alive After Five, Free Movie Friday, Ice Cream Sunday, Easter Eggstravaganza, Spring Beerfest, Spring/Summer Concert, Pimento Cheese Festival, Multicultural Festival, and a Fall Concert. The budget is currently estimated at \$51,500 for these events. The spring and fall concerts are also listed in the budget introduction for Council to discuss.

A combined budget for marketing the entire town is listed at \$30,000.

108 Building – Remodel back room, add cabinets, kitchenette and make ADA with proper exit area \$10,200; Flooring in back room \$2,331 and front areas \$6,334. Anticipate this being the “green room” for bands playing at the park. Council may want to discuss additional renovations to this building.

***Downtown Improvements/Streetscape Improvement for the Town of Forest City***

The Streetscape Plan, with an estimated cost range from \$1,224,870 to \$1,269,970 was discussed by the Town Council in February 2016. The Board may wish to consider additional streetscape improvements in the future. The proposed FY 2019-2020 Governor's budget did include \$433,000 for unnamed downtown streetscape items.

One additional Streetscape item is scheduled for completion in the FY 2018-2019 budget. The stamped pavement marking across Main Street, a new sidewalk on Mill Street and an additional stamped pavement at the fountain plaza is scheduled to be completed in the spring of 2019. Also scheduled for completion in the spring of 2019 is the parking lot at the corner of Broadway and Huntley Alley.

### ***TDA Funding***

The TDA has designated funding for capital projects in Forest City. The Town would need to request funding up to \$50,000 for capital projects in areas such as POPS, Thermal Belt Rail Trail, and Streetscape. The first \$50,000 was available in FY 2018-2019 and that money carries forward into FY 2019-2020. Once these projects have been finalized, a plan to present to TDA could be developed and presented during FY 2019-2020.

### ***Streets***

The following items that are recommended in the budget:

- 1) A 1997 Ford F-350 with over 135,000 miles is recommended to be replaced by both the Street Department and the Garage due to mechanical issues it is experiencing. The replacement vehicle is recommended at \$35,000.
- 2) The Town has three aging leaf machines. One is in extremely poor condition and the other two have routine repair issues. It is recommended to replace one so that during the leaf pick up season the Town can have at least two in operation. There are two options. The recommended option is to purchase a single operator leaf truck at a cost of \$190,000. The second option is to purchase a leaf vacuum system similar to what the Town currently operates. The advantage of the stand along truck is that it is operated by one man as opposed to three men in the vacuum system. The leaf truck operation ceases at the end of March because the men are assigned other duties such as grass cutting. The truck system is more efficient and could also allowed the leaf pick up period to be extended.
- 3) The Town budgets catastrophic funds each year for water and sewer operations. It is recommended that the Town budget \$30,000 of similar funds for storm water emergencies.
- 4) With the opening of the trail, the Street Department will ride this corridor every day to perform routine maintenance and clean the trail. A Kubota RTV-x1140 at a cost of \$18,000 is recommended.

### ***Powell Bill***

The **Powell Bill** budget/revenues for FY 2019-2020 are \$236,047. Six streets are planned for full or partial repaving: Ohio Street, 430 ft.; Utah Street, 825 ft.; Mayflower Street, 500 ft.; Loblolly Lane, 1200 ft.; Florida Avenue, 630 ft. at an estimated cost of \$140,000. Currently \$30,000 is budgeted on sidewalks for repair or replacement. The current Powell Bill reserve is estimated to be \$323,847 as of June 30, 2018.

### ***Cemetery***

It is recommended that a budget of \$7,500 be reserved for capital projects for the cemetery. Additional projects for the cemetery are listed in the introduction for Council to review...

Public Works Director Barry Spurlin is getting the survey for the Mark Barber property. Mr. Barber has verbally agreed to sell a small amount of property to the Town for \$2,500. Many years ago, the road in front of the cemetery storage building had been constructed on his property.

The above is a brief explanation of some noted changes in the General Fund. The overall General Fund Expense has increased from \$13,739,828 to \$14,126,806 for a total increase of \$386,978.

The line item General Fund revenue and expenditure budget is in Appendix A.

#### **IV. FLORENCE MILL FUND**

On March 4, 2019 the Town entered into a Purchase Agreement for the Florence Mill with Florence Redevelopment Partners, LLC, contingent upon the completion of the exhibits in that agreement. The agreement calls for a 90-day inspection period and a 30-day period to close. Decisions on this project moving forward are anticipated to be made in the summer of 2019.

#### **V. FOREST CITY PAVILION ON PARK SQUARE**

The Pavilion On Park Square (POPS) was determined to be substantially complete and a Certificate of Occupancy was issued on April 3, 2019. It is anticipated that the entire park construction budget will be spent prior by June 30, 2019. Further park operational items will be budgeted in the Parks and Recreation and Park Event budgets.

#### **VI. RAILS TO TRAILS**

Forest City worked to coordinate a Rails to Trails project known as the Thermal Belt Rail Trail that extends from Forrest Hunt School to Gilkey which is approximately 13.5 miles. Five governmental agencies (Rutherford County, Ruth, Rutherfordton, Spindale, and Forest City) have signed an Interlocal Agreement pertaining to the trail that sets out parameters on how the trail will be built and managed in the future. RHI Legacy Foundation has provided a grant of \$4,250,000 to fund the trail. In December 2018 RHI provided an additional \$750,000 for bridge improvements that included signs and lights. The trail, including the bridges, signs and lights should be completed in 2019.

Site Development was awarded the contract for the bridge improvements over Hwy. 74 and over CSX railroad in December 2018. Site Development anticipates beginning installation of the Hwy. 74 bridge in the next 30 days. Off-site fabrication on the CSX railroad bridge has begun but we are awaiting feedback from CSX railroad before installation can begin. Unless there is some delay due to permitting from CSX, the contractor anticipates having both bridges in place by Summer 2019.

A submittal has been made to NCDOT for the proposed sign and lighting scheme and the Town is waiting for final approval. The Forest City Town Council and the Trail Partners have approved the sign plan that was submitted to NCDOT. It is anticipated that the signs could be in place by the end of August 2019.

Development of the lighting scheme is underway. The lighting is anticipated to be complete in Fall 2019.

A Kubota RTV at \$18,000 and additional part time funding at \$8,640 are budgeted to maintain the trail in the FY 2019-2020 budget. This is budgeted in the Street Department.

## VII. PARTF GRANT

In FY 2017-2018 the Town received a PARTF Grant in the amount of \$350,000 for Thermal Belt Rail Trail enhancements. The Town matched this grant with \$400,000. In addition, Rutherford County TDA has dedicated \$60,000 in funding to this project. Four local businesses provided sponsorships for the adult fitness area planned for the Florence Mill trailhead. The Town awarded the contract to Site Development Corporation in December 2018 and the project should be complete in FY 2019-20. The preliminary project components of the grant can be found in Appendix B. This is subject to minor revisions as circumstances may arise.

As of May 1, work has begun on clearing the site for the pad for parking/future Farmer's Market. At this time no grading can take place on the portion of the dog park located on NCDOT property. A request has been made to NCDOT to transfer this property to the town. Local NCDOT officials have agreed to the exchange of property and sent to Raleigh for approval. We hope to have approval soon so the grading for the dog park can begin.

The contractor has indicated that all improvements hope to be completed by the end of August 2019. The schedule depends on delivery of the various equipment for the park and dog park area. Purchase Orders have been issued for all equipment. Items included restroom facility, picnic shelters and tables, bike repair benches, dog park, adult fitness area, and kids slides.

### ***Farmer's Market Building***

A meeting was held with the Farmer's Market stakeholder group to gather the needs, desires, and components for a new structure. McGill Associates is developing three architectural renderings for the building to present to the Town Council at the May 20<sup>th</sup> meeting. The three renderings include a shed type roof structure previously discussed, a more traditional barn look, and a factory look like the Florence Mill building. Once these are presented and selected by Town Council, McGill will provide a set of drawing and cost estimates for the project. The completed drawings will be available by August 15, 2019. It is anticipated that the Town would seek grant funding when the plan is complete.

## **VIII. PARKS AND RECREATION**

For the last two years the park budget increased significantly because of the construction of the Forest City Pavilion on Park Square, the Thermal Belt Rail Trail and the PARTF grant beside the trail. Currently, the park is estimated to be completed in the spring of 2019. A portion of the PARTF Grant may need to be re-budgeted in FY 2019-2020.

The following capital projects were requested in FY 2019-2020:

- 1) Replace two goals at Cool Springs gym; \$35,000 – Council list
- 2) Replace existing track at Summey Park; \$155,000 – Applying for RHI Grant
- 3) Replace 1980s playground a Crowe Park; \$150,000 - Recommended
- 4) Replace 32 golf carts at Forest City Golf Course; \$152,480 - Recommended
- 5) Tree Removal at Forest City Golf Course; \$58,000 - Recommended

Pictures on the capital items can be found in Appendix C. It is recommended that the Town apply for an RHI Foundation grant to replace the track at Summey Park.

The Parks and Recreation Department will assume maintenance of the enhanced landscape area on May 1, 2019. Also, some kitchen renovations at the clubhouse are underway concerning some sink and countertop replacements. Parks and Recreation Director Wright has a contractor working on a leak at the pool and will bring an estimate to the Town Council.

The line item Parks and Recreation revenue and expenditure budget is in Appendix D.

### ***Pool Pavilion***

RHI Legacy Foundation awarded \$120,000 to the Town to construct a pool pavilion at Callison Recreation Center. A tentative budget of \$26,500 will cover the grading, concrete, electrical and fencing. Parks and Recreation Director Jody Wright is securing proposals for



an 80'x45' pool pavilion area with a 30'x50' shelter. He will present options to the Board in June and provide a potential construction time line.

## IX. WATER AND SEWER FUND

### Revenues:

#### *Water*

Horsehead filed bankruptcy in 2016. The company is now known as American Zinc Products. The Horsehead loan in the amount of \$950,000 is current and will have an estimated balance of \$178,000 as of June 30, 2019. The loan payments for FY 2019-2020 in the amount of \$142,858 are included in the budgeted revenues.

Everest Textiles announced in early 2017 their decision to locate in Forest City at the former National Textiles/Carpenter Design Building. This budget does not reflect a large increase, but the Town continues to monitor the usage.

It is recommended to put \$150,000 in both water and sewer as a catastrophic reserve for unforeseen projects. In normal years this is unspent. It is recommended that this unspent reserve begin to accumulate into a fund for large future projects. The Town is working on a plan to identify what those potential projects might be.

#### *Sewer*

The following is reprinted from the FY 2015-2016 Budget Message:

"In May 2014 WK Dickson issued the Rutherford County/Municipalities Joint Sewer Study. Some Board members attended the presentation on the study's results. One comment made by the WK Dickson staff on the fact that the Town wastewater rates did not support the operation of the system began a discussion among some Board members. The City Manager sent a very preliminary email to Board members dated July 24, 2014 with information on this issue." Although this is old data, the issue is the same and is provided as information.

The Board raised the sewer rate by \$0.75 per month on the minimum charge for 3,000 gallons, effective July 1, 2015.

### Expenditures:

#### *Water Operations and Construction*

The following capital items are recommended for funding in FY 2019-2020:

- 1) The following was stated in the FY 2018-2019 Budget Message: "Both the 2005 water operations utility trucks have over 140,000 miles and both have transmission issues.

These are the trucks that respond to all water repair maintenance and repair issues. The department is requesting to replace both trucks at a cost of \$65,000 each for a total of \$130,000. The recommendation is to replace one truck in FY 2018-2019 and one in FY 2019-2020." It is recommended to replace the second truck in FY 2019-2020 at a cost of \$65,000.

- 2) It is recommended to replace the Fairview Line at an estimated cost of \$61,400. This is a section of old 2" galvanized line. This area has been a source of complaints of dingy water.

### ***Water Plant***

There is only one significant project recommended in FY 2019-2020. This was addressed in the FY 2018-2019 budget, but it was deferred until the next year's budget. The **electronic system that operates the filter consoles** is obsolete. The Town system has five filter consoles and the cost to replace all five consoles is estimated at \$200,000. More information can be found in Appendix E.

### ***Sewer Operations and Construction***

The following capital projects are recommended:

- 1) It is recommended to purchase a portable inspection camera. The following is taken from the request: "Due to the condition of the sewer system, we have older lines in this system most of which are clay pipe and are starting to collapse in places underground and we cannot see. This is an area that this camera would benefit the town that we could pinpoint and replace or repair problem areas. This would further identify, and we could show to customers in a trouble area that the problem is theirs and would cut back on complaints. This piece of equipment is owned by municipalities and the ones I have talked to have said that it has paid for itself in shorting the time and money spent on research of problem areas and repairs of blockage, infiltration, and broke lines. Camera would also help to find blockage in storm drain lines." The cost is \$112,000.
- 2) The Town sewer system is aging and infiltration with the deterioration in the old brick manholes continues to be an issue. It is recommended to spend \$75,000 to replace manholes in FY 2019-2020 and then continue to do a few each year.

### ***Waste Treatment Plant***

There are two items of note in the Waste Treatment Plant budget.

- 1) The 2002 Chevrolet truck has 200,000 miles and is beginning to experience mechanical issues. It was handed down from the Fire Department several years ago and now should be surplus. It is recommended that a 4x4 at a cost of \$33,246 be purchased. This new vehicle is suited to haul mowers, chemicals, and pallets of lime to the treatment plant.

- This vehicle would also ride water and wastewater right of ways to check access from Riverstone WWTP and required river sampling.
- 2) Soft start motor starters for the (6) 75 horsepower aerators at a cost of \$20,000 is recommended. The current motor starters are the same two stage start controllers installed in 1992. The new soft start system will increase the life of the equipment, decrease the electrical needs during start up and lessen the downtime of the equipment.

### ***Waste Treatment Plant – Riverstone***

There is one item of note at Riverstone. There is a \$70,000 recommendation for sludge hauling. With that exception, the budget is normal. This is sludge from prior years operation while Horsehead was working to remove zinc from the flow to Riverstone. The Town and American Zinc have begun discussions on this expense. The Town continues to bill American Zinc at 100% of water billing which will help offset this type expense.

### ***Pump Maintenance***

Forest City maintains a relatively large and complex wastewater collection system for a municipality of its size. This includes 27 lift stations, approximately 95 miles of gravity sewer and 14 miles of force main. The Collections System staff are also responsible for collection infrastructure at the City of Ellenboro, Riverstone Industrial Park, and American Zinc Products (formerly Horsehead), as well as drinking water storage and distribution infrastructure, the city's backup power generators and other related facilities which equates to 73 pumps. Much of this infrastructure is aging and requires frequent maintenance.

There are two capital items recommended for pump maintenance.:

- 1) One item referenced in past years is Dogwood Pump Station. Dogwood was built in 1992 and is undersized for current flow demands. The station is a confined space entry which is a safety issue. The current pumping system is always stopping up with waste. The Town needs to begin the planning for a new pump station at Dogwood with new, bigger horse power submersible chopping, grinding pumps, a larger wet well, new building and new generators. With 3" of rain this station will have a sewer spill. Since 2010 we have had 15 sewer spills, with 8 of these spills the Town has received a Notice of Violation for the NC Department of Water Quality. The total cost to rebuild is estimated at \$912,575. The recommendation is to budget professional funds of \$87,500 to design a new station and budget the construction in FY 2020-2021 ready for bids to go out on July 1, 2020.
- 2) In FY 2018-2019 the Town replaced the Reduced Voltage Soft Starts for each pump control cabinet at the raw water pump station that pumps water to the water plant. In FY 2019-2020 the Town is recommending replacing the soft starts at the Brackett

Pump Station in the amount of \$20,000. This should increase the longevity of the pumps and associated equipment.

***Community Development Block Grant***

The Town has been awarded a CDBG in the amount of \$1,500,000. The pre-bid meeting is scheduled for May 2, 2019; bid opening May 16, 2019. Approximately \$1,200,000 is available for construction and the remaining is the associated professional fees. All recent construction projects have been running high. If the bids exceed the funds available, then the Town would negotiate with the low bidder to reduce the scope of work to meet the available funds. Hopefully by August 2019 the Town Council and CDBG will have approved; the notice to proceed will have been given and construction will begin. Work should be completed by March 2020.

The Transfer of utility dollars to Parks and Recreation Fund will be discussed in Section XIV. Interfund Transfers.

The line item Water and Sewer Fund revenue and expenditure budget is in Appendix F.

**X. ELECTRIC FUND**

***Revenues:***

On April 17, 2017 the Town amended its power supply contract with Duke Energy, which was a result of the coal ash expenses. The contract amendment allowed Duke to begin billing the Town for coal ash cost recovery effective July 1, 2017. After a Board decision to absorb one month of the coal ash costs, the Town increased rates to pass that increase to its electric customers. The Town has estimated the coal ash cost to represent a cost increase of roughly 3% to 10% of its billing from Duke. NOVA Electrical Consultant Kevin O'Donnell will provide updated information on rate increases from Duke and the impact of the decrease of the corporate tax rates so that when Forest City considers a rate adjustment in early 2020 all the known factors that might increase/decrease electric rates are known.

***Expenditures:***

***Electric Operations***

The FY 2016-2017 budget included \$150,597 for an outside professional company to do utility pole inspections. In that inspection 751 poles were identified as needing to be replaced. Those poles with the highest priority have been replaced. The number of remaining rejected poles stands at approximately 300. Also, in August 2017 a major electrical issue occurred at Beaver Street substation that resulted in a cascade of electrical

issues over that weekend. As a result, the Town electrical consultant Jerry Ford from Southeastern Engineers, Inc. made a presentation to the Town Council with several recommendations that the Town should implement over the next few years to make the electrical system stronger and safer for the electric department staff. This report is in Appendix H. The first recommendation was to replace 27 voltage regulators. The Board approved this replacement during FY 2017-2018 at a cost of approximately \$365,000. The Board approved additional items in the FY 2018-2019 budget. The following recommendations are made for the FY 2019-2020 budget:

- 1) Replace 50% or 150 of the remaining rejected poles at a cost of \$320,000.
- 2) Currently the Electric Department shares a Kubota Trackhoe with the Street Department. Because of the volume of the work, this is creating scheduling issues. This is used by the Electric Department on average multiple times per week. The current one is several years old, and plans are to transfer it to the Street Department. A new machine would function much better and provide a much nicer job in residential yards. The Electric Department has requested this item for the past three years. This is a recommended expense of \$55,000.
- 3) The Electric Department is requesting the replacement of two trucks. The supervisor's truck is recommended to be replaced at a cost of \$35,000 with the on-call truck waiting until the next budget year.

The NC DOT is widening Oak Street. During that process the Town has relocated several utility poles and underground services at an estimated cost of \$118,000 which was budgeted in FY 18-19. The Town has paid all labor and materials upfront and will submit invoices to NC DOT for reimbursement for labor, materials and engineering. **NC DOT is working on this project. Some carry forward into FY 2019-2020 is anticipated.**

Projects completed during FY 18-19 and FY 19-20 will modernize the Town substations and put worker safety at a much better position. During the electrical outage last August, an electrical arch occurred at the Lawing Road substation. Fortunately, no employees were on site. The evidence was a blackened fence. The steps recommended above, along with the previous years' projects should greatly decrease the ability of these type occurrences and safeguard employees in the event one does occur.

### ***Meter Department***

The Meter Department is requesting replacement of two trucks and one is recommended. One meter truck has over 120,000 odometer miles and is estimated to have over 200,000 when the idling miles are calculated. It needs to be replaced this year. The Supervisor's 2005 truck has 90,000 miles and is beginning to have some mechanical problems. It is recommended to replace this truck next year.

The Transfer of utility dollars to the General Fund, Florence Mill, and Parks and Recreation Fund will be discussed in Section XIV. Interfund Transfers.

The line item Electric Fund revenue and expenditure budget is in Appendix G.

**XI. CAPITAL REQUESTS & RECOMMENDATIONS**

Chart 3 is a list of requested capital from all Town departments totaling \$6,117,731. After meeting with department heads and discussing the priorities for the Town as well as expected revenue to cover requests, the capital included in the recommended budget has been reduced to \$2,366,076. This is a reduction of \$3,751,655.

**CHART 3: CAPITAL REQUESTS & RECOMMENDATIONS  
FISCAL YEAR 2019-2020**

	Requested	Recommended
<b>GENERAL FUND</b>		
<b>10-4120 Admin/IT</b>		
Shared Vehicle for travel/training/meetings	\$ 27,000	\$ -
IT Van for new employee	\$ 30,000	
<b>Admin Total</b>	<b>\$ 57,000</b>	<b>\$ -</b>
<b>10-4240 Garage</b>		
Lift for mowers, carts, tractors	\$ 6,200	\$ 6,200
<b>Garage Total</b>	<b>\$ 6,200</b>	<b>\$ 6,200</b>
<b>10-4260 Public Works</b>		
Building on back lot	\$ 200,000	\$ -
Electric dept meeting room	\$ 22,000	\$ -
<b>Public Works Total</b>	<b>\$ 222,000</b>	<b>\$ -</b>
<b>10-4310 Police</b>		
6 Vehicles requested – recommending 5	\$ 244,500	\$ 203,750
Honda Pioneer ATV to patrol rail trail	\$ 25,069	\$ -
Certified K-9	\$ 20,600	\$ -
<b>Police Total</b>	<b>\$ 290,169</b>	<b>\$ 203,750</b>

<b>10-4340 Fire</b>		
12 Self Contained <b>Breathing</b> Apparatus (12 purchased prior yr)	\$ 104,000	\$ 104,000
100Ft Aerial Fire <b>Engine*</b> financing info-debt service summary	\$ 999,000	\$ -
<b>Fire Total</b>	<b>\$ 1,103,000</b>	<b>\$ 104,000</b>
<b>10-4350 Code Enforcement</b>		
Truck for inspectors	\$ 32,000	\$ 32,000
<b>Code Enforcement Total</b>	<b>\$ 32,000</b>	<b>\$ 32,000</b>
<b>10-4510 Streets</b>		
Leaf Truck	\$ 190,000	\$ 190,000
Service Truck	\$ 35,000	\$ 35,000
Kubota RTV-X1140 4x4 to maintain rail trail	\$ 18,000	\$ 18,000
<b>Emergency</b> Reserve for storm drains/catch basins	\$ 30,000	\$ 20,000
<b>Streets Total</b>	<b>\$ 273,000</b>	<b>\$ 263,000</b>
<b>10-4540 Cemetery</b>		
Landscaping, misc	\$ 7,500	\$ 7,500
<b>Cemetery Total</b>	<b>\$ 7,500</b>	<b>\$ 7,500</b>
<b>TOTAL 2019-2020 GENERAL FD</b>	<b>\$ 1,990,869</b>	<b>\$ 616,450</b>

	Requested	Recommended
<b>PARKS AND RECREATION FUND</b>		
<b>15-6125 Cool Springs Gym</b>		
Basketball Goals	\$ 35,000	\$ -
<b>Cool Springs Gym Total</b>	<b>\$ 35,000</b>	<b>\$ -</b>
<b>15-6130 Parks and Playgrounds</b>		
Track at Summey Park	\$ 155,000	\$ -
<b>Play System</b> at Crowe Park	\$ 150,000	\$ 150,000
<b>Parks and Playgrounds Total</b>	<b>\$ 305,000</b>	<b>\$ 150,000</b>
<b>15-6170 Golf Course</b>		
32 Golf Carts/Surplus old	\$ 152,480	\$ 152,480
Tree Removal	\$ 58,000	\$ 58,000

Golf Course Total	\$ 210,480	\$ 210,480
<b>TOTAL 2019-2020 PARKS AND RECREATION FUND</b>	<b>\$ 550,480</b>	<b>\$ 360,480</b>

	Requested	Recommended
<b>WATER AND SEWER FUND</b>		
<b>61-7120 Water Operations</b>		
Replace Utility Truck (agreed to 1 last yr, 1 this yr)	\$ 65,000	\$ 65,000
Fairview Street Water Line Replacement	\$ 61,400	\$ 61,400
Emergency Reserve	\$ 150,000	\$ 100,000
<b>Water Ops Total</b>	<b>\$ 276,400</b>	<b>\$ 226,400</b>
<b>61-7121 Water Plant</b>		
Water filter consoles	\$ 200,000	\$ 200,000
<b>Water Plant Total</b>	<b>\$ 200,000</b>	<b>\$ 200,000</b>
<b>61-7130 Sewer Operations</b>		
Portable Inspection Camera	\$ 112,000	\$ 112,000
Tate Street Sewer Line	\$ 257,000	\$ -
Manhole Replacement (part last year, part this year)	\$ 200,000	\$ 75,000
Emergency Reserves	\$ 100,000	\$ 100,000
<b>Sewer Ops Total</b>	<b>\$ 669,000</b>	<b>\$ 287,000</b>
<b>61-7131 Waste Treatment Plant</b>		
Truck	\$ 33,246	\$ 33,246
Soft Start Motor Starters for (6) Aerators	\$ 20,000	\$ 20,000
<b>Waste Treatment Plant Total</b>	<b>\$ 53,246</b>	<b>\$ 53,246</b>
<b>61-7135 Pump Maintenance/Storage</b>		
New Pump Station at Dogwood	\$ 912,575	\$ 87,500
3- RVSS (Soft Starts) at Brackett Pump Station	\$ 20,000	\$ 20,000
Truck with service bed	\$ 48,000	\$ -
Emergency Reserves	\$ 100,000	\$ 45,000
New Pumps	\$ 45,000	\$ -
<b>Pump Maintenance Total</b>	<b>\$ 1,125,575</b>	<b>\$ 152,500</b>
<b>61-7140 Water Meter Services</b>		
New truck for meter reader (split with 63-7240)	\$ 15,000	\$ 15,000



New truck for supervisor (split with 63-7240)	\$ 15,000	\$ -
<b>Meter Services Total</b>	<b>\$ 30,000</b>	<b>\$ 15,000</b>
<b>TOTAL 2019-2020 WATER AND SEWER FUND</b>	<b>\$ 2,354,221</b>	<b>\$ 934,146</b>

	Requested	Recommended
<b>ELECTRIC FUND</b>		
<b>63-7220 Electric Operations</b>		
Pole replacement completion	\$ 640,161	\$ 300,000
On-Call Response Service Truck	\$ 35,000	\$ -
Kubota	\$ 55,000	\$ 55,000
Supervisor Service Truck	\$ 35,000	\$ 35,000
LED Lights Downtown	\$ 27,000	\$ -
Lowes tie line	\$ 300,000	\$ -
Emergency Reserves	\$ 100,000	\$ 50,000
<b>Electric Operations Total</b>	<b>\$ 1,192,161</b>	<b>\$ 440,000</b>
<b>63-7240 Electric Meter Services</b>		
New truck for meter reader (split with 61-7140)	\$ 15,000	\$ 15,000
New truck for supervisor (split with 61-7140)	\$ 15,000	\$ -
<b>Meter Services Total</b>	<b>\$ 30,000</b>	<b>\$ 15,000</b>
<b>TOTAL 2019-2020 ELECTRIC FUND</b>	<b>\$ 1,222,161</b>	<b>\$ 455,000</b>
<b>TOTAL 2019-2020 ALL FUNDS</b>	<b>\$ 6,117,731</b>	<b>\$ 2,366,076</b>

## XII. 2019 PROPERTY VALUES AND FACEBOOK IMPACT

Chart 4 shows property values in Forest City from FY 2012-2013 to FY 2019-2020. Revaluation years shown in gray.

**CHART 4: 2019 REAL AND PERSONAL PROPERTY VALUE ESTIMATES**

C04 - Town of Forest City (as of 4/22/19)	2012-13		2013-2014		2014-2015		2015-2016		2016-2017		2017-2018		2018-2019		2019-2020		ESTIMATED GAIN/(LOSS)	Percentage Gain/(Loss)
	Actual		Actual		Actual		Actual		Actual		Actual		Actual		Estimate			
Real Property	458,878,430		520,567,250		548,677,653		564,927,100		566,203,714		563,982,035		668,399,576		760,882,492			
Less Homestead & DV Exclusions	(6,657,680)		(7,325,500)		(7,228,820)		(7,605,120)		(7,532,370)		(7,869,676)		(7,394,226)		(7,304,924)			
Less Exempt	(3,089,580)		(3,089,580)		(3,115,780)		(3,115,780)		(3,113,340)		(911,542)		(911,542)		(566,800)			
Less Present Use Value (deferred)	(582,960)		(766,970)		(848,968)		(848,968)		(931,268)		(931,182)		(931,182)		(840,874)			
Subtotal Real Taxable Value	448,548,210		509,385,200		537,484,085		553,357,232		554,626,736		554,249,635		669,162,626		751,669,894		92,507,268	12.3069%
Business Personal Property	135,797,720		488,405,330		568,066,886		548,424,703		539,664,888		690,659,788		873,744,802		1,171,108,904			
Public Utility Values	23,728,360		23,895,590		25,402,099		31,077,279		34,262,048		28,285,124		29,181,827		28,470,000			
DMV Value	31,122,040		34,564,464		35,135,631		29,967,043		32,682,522		39,082,110		42,282,381		41,000,000			
Subtotal Personal Taxable Value	190,648,120		546,865,384		628,604,616		609,469,025		606,609,458		758,027,022		945,209,010		1,240,578,904		295,369,894	23.8090%
Total Net Taxable Value	639,196,330		1,056,250,584		1,166,088,701		1,162,826,257		1,161,236,194		1,312,276,657		1,604,371,636		1,992,248,798		387,877,162	19.4693%
	12.7520%		39.4844%		9.4194%		-0.2806%		-0.1369%		11.5098%		18.2062%		19.4693%			

  

TOFC Valuation	2012		2013		2014		2015		2016		2017		2018		2019		ESTIMATED GAIN/(LOSS)	Percentage Gain/(Loss)
	Actual		Actual		Actual		Actual		Actual		Actual		Actual		Estimate			
TOFC Valuation	639,196,330		1,056,250,584		1,166,088,701		1,162,826,257		1,161,236,194		1,312,276,657		1,604,371,636		1,992,248,798		387,877,162	19.4693%
Facebook Valuation	110,066,552		436,876,360		560,909,110		582,428,111		606,305,290		762,291,971		1,009,107,586		1,317,121,873		308,014,287	
Everest Valuation												43,905,719		60,730,728		16,825,009		
TOFC Value less FB & Ev	529,129,778		619,374,224		605,179,591		580,398,146		554,930,904		549,984,686		551,358,331		614,396,197		63,037,866	10.2601%

Source: Rutherford County Revenue Department

Since the time of the last revaluation in FY 2012-2013, the value of the Town has increased from \$639,196,330 to an estimated \$1,992,248,798 in FY 2019-2020. This represents an increased value of \$1,353,052,468.

To fully understand the average growth for the Town, the property values for Facebook and Everest Textiles are included. The total property value increase in Facebook from FY 2012-2013 to FY 2018-2019 was \$1,207,055,821. Everest Textiles value for FY 2019-2020 is also listed at \$60,730,728. Therefore, without Facebook and Everest Textiles the Town's value would have only increased \$85,266,419 from 2012 to 2019.

*These values are subject to change based on appeals and tax relief applications received by the Rutherford County Revenue Department after this budget message was prepared.*

### XIII. FUND BALANCE

Historically, the Town of Forest City has kept healthy fund balances in the General Fund, which includes the Parks and Recreation Fund, and the Enterprise Funds (Water/Sewer and Electric). Chart 7 shows a six-year history of the General Fund balance available for appropriation. The last audit shows the General Fund balance available increased by \$2,085,357 for the fiscal year ended June 30, 2018. The main reason for the increase in the fund balance is the carry-over of the construction budget for the new downtown park as well as the rail trail project.

*CHART 7: GENERAL FUND BALANCE AVAILABLE FOR APPROPRIATION CALCULATIONS  
FISCAL YEARS 2012-13, 2013-14, 2014-15, 2015-16, 2016-17 and 2017-18 Actuals*

	FY 2012-13 ACTUAL	FY 2013-14 ACTUAL	FY 2014-15 ACTUAL	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL
Fund Balance Available for Appropriation:						
Cash and Investments	\$ 4,409,806	\$ 5,756,172	\$ 6,057,824	\$ 5,679,575	\$ 5,976,544	\$ 8,544,766
Accounts Payable	(475,239)	(471,309)	(397,652)	(345,204)	(549,372)	(1,032,482)
Prepaid Taxes	(1,308)	(655)	(13)	(43)	(309)	(64)
<b>Fund Balance Available for Appropriation</b>	<b>\$ 3,933,259</b>	<b>\$ 5,284,208</b>	<b>\$ 5,660,159</b>	<b>\$ 5,334,328</b>	<b>\$ 5,426,863</b>	<b>\$ 7,512,220</b>
Annual Increase (Decrease) in Fund Balance Available:	\$ 414,665	\$ 1,350,949	\$ 375,951	\$ (325,831)	\$ 92,535	\$ 2,085,357
Total Expenditures	\$ 9,861,845	\$ 10,648,960	\$ 11,047,087	\$ 11,883,729	\$ 11,754,781	\$ 15,351,735
Total Transfers to Other Funds	33,000	-	-	-	-	-
Lease Purchase Proceeds	-	(413,517)	(115,000)	(99,000)	-	-
Expenditures to Use for Calculation	\$ 9,894,845	\$ 10,235,443	\$ 10,932,087	\$ 11,784,729	\$ 11,754,781	\$ 15,351,735
<b>% of Fund Balance Available</b>	<b>39.75%</b>	<b>51.63%</b>	<b>51.78%</b>	<b>45.26%</b>	<b>46.17%</b>	<b>48.93%</b>
LGC 8% Minimum - One month Operating	\$ 824,570	\$ 852,954	\$ 911,007	\$ 982,061	\$ 979,565	\$ 1,279,311
Over Minimum	\$ 3,108,689	\$ 4,431,254	\$ 4,749,152	\$ 4,352,267	\$ 4,447,298	\$ 6,232,909
Months Operating Expense in Reserve	4.77	6.20	6.21	5.43	5.54	5.87
Group Weighted Average Muni w/Electric % FBA	51.49%	53.69%	54.14%	52.07%	56.85%	
Average Fd Bal % for All Electric Towns	38.76%	39.96%	43.28%	43.04%	44.23%	

As this chart shows, the Town’s fund balance available for appropriation as a percentage of expenditures as of June 30, 2018 is well above the LGC minimum of 8% (one month of operating expense) at 48.93%. This equates to 5.87 months of operating reserve. This chart also provides some comparison of Forest City to other towns of the approximate same size (average fund balance % of 56.85%) and electric city towns (average fund balance % of 44.23%).

Chart 8 shows the six-year history of the Town’s Enterprise Funds. As the chart shows, the Water and Sewer Fund decreased in FY 2017-18 to \$5,126,444. The Electric Fund decreased to \$5,459,679. These decreases were due to large transfers to cover projects in the General Fund.

**CHART 8: ENTERPRISE FUNDS CASH BALANCES**

*FISCAL YEARS 2012-13, 2013-14, 2014-15, 2015-16, 2016-17 and 2017-18 Actuals*

	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL
Water and Sewer Fund Cash and Cash Equivalents	\$ 5,046,470	\$ 5,766,411	\$ 6,179,749	\$ 7,220,321	\$ 7,543,814	\$ 5,126,444
Electric Fund Cash and Cash Equivalents	\$ 2,609,167	\$ 2,940,728	\$ 4,408,278	\$ 5,855,899	\$ 7,210,893	\$ 5,459,679

**General Fund - Fund Balance Appropriated**

The General Fund recommended budget appropriates \$879,791 of fund balance in this budget. It is estimated that the entire amount will be spent on the completion of the Rails to Trails (RHI & PartF Grant) projects that began in FY 2017-2018 and continued through FY 2018-2019.

**Florence Mill Fund – Fund Balance Appropriated**

This budget does not appropriate any fund balance for the Florence Mill Fund.

**Water and Sewer Fund - Fund Balance Appropriated**

The Water and Sewer Fund has no recommended budget appropriation of fund balance for FY 2019-2020. It is recommended to let this fund build to complete necessary future infrastructure improvements.

**Electric Fund - Fund Balance Appropriated**

The Electric Fund recommended budget appropriates \$1,131,659 of fund balance. It is estimated that \$750,000 will not be spent based on conservative revenue estimates and appropriations that have historically not been spent.

#### XIV. INTERFUND TRANSFERS

Chart 9 below shows the historical perspective of transferring among funds by the Town. During this seven-year period the low transfer was in FY 2018-2019 with \$2,661,995 being transferred from utilities to the General Fund (including Florence Mill and Parks and Recreation). Previously, FY 2017-2018 represented the high year with \$8,745,530 being transferred to cover large capital projects. **An ongoing concern is that discussions have taken place by the legislature that could limit or eliminate the amount the Town transfers from utility funds to the General operating fund. Recently with the introduction of House Bill 503, this is again a concern. If this became a reality, the Town would have to drastically reduce General Fund spending and services or significantly increase property taxes or a combination of the two. The State legislature has already enacted legislation which does not allow municipalities to receive grants or loans from DENR if transfers occur from water and sewer to the General Fund.** As discussed previously under the Governing Body section in the General Fund, Town staff continues to make a concerted effort in the FY 2019-2020 recommended budget to more accurately allocate the cost of administration of the Water and Sewer Fund and Electric Funds to those funds. Mayor Holland continues to respond on a yearly basis to any letters from the Department of the State Treasurer.

**Chart 9: INTERFUND TRANSFERS FY 2013-2014 PROJECTED THROUGH FY 2019-2020**

	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20
Parks & Rec from	\$ 850,000	\$ 1,086,179	\$ 670,067	\$ 559,685	\$ 3,488,781	\$ 258,376	
Parks & Rec from Electric	\$ 515,345	\$ 439,906	\$ 861,819	\$ 894,559	\$2,167,514	\$1,118,042	\$ 1,361,066
Florence Mill from	\$ 263,888						
Florence Mill from Electric		\$ 163,536		\$ 84,939	\$ 25,000		
General from Electric	\$ 3,000,000	\$ 2,223,431	\$2,144,475	\$2,059,475	\$3,064,235	\$1,269,198	\$ 2,589,534
General from Water/Sewer	\$ 57,268						
	\$ 4,686,501	\$ 3,913,052	\$3,676,361	\$3,598,658	\$8,745,530	\$2,645,616	\$ 3,950,600

## XV. DEBT SERVICE SUMMARY

### ***General Fund***

Recommended **Debt Service** for the General Fund in the amount of \$9,409 includes 6 months of payments for the items purchased through financing in FY 2015-2016. Financing of a new fire truck is also recommended in this budget with 4 months of payments starting in March 2020 for a total of \$43,334 in FY 19-20.

### ***Parks & Recreation Fund***

Recommended **Debt Service** for Parks & Recreation includes loan principal and interest payments for McNair Field of \$179,661. The loan balance as of June 30, 2019 will be \$611,112.

### ***Water & Sewer Fund***

The FY 2019-2020 recommended budget includes \$24,204 for the sixth of twenty annual payments on the 0% interest NCDENR loan related to the Central Business District Sewer Rehabilitation Project. The loan balance as of June 30, 2019 will be \$363,048. In addition, recommended **Debt Service** includes \$55,515 for 12 months of payments for the items purchased through financing in FY 2015-2016.

### ***Electric Fund***

Recommended **Debt Service** for the Electric Fund includes \$17,474 for 6 months of payments for the items purchased through financing in FY 2015-2016.

## XVI. FUTURE STRATEGIC PLANNING/LONG TERM CAPITAL PLAN

### ***Electric System***

The pole inspection/pole replacement project underway that began in FY 2016-2017 is scheduled to be complete in FY 2020-2021. At the end of this project, approximately 751 or 13.5% of the 5,500 town utility poles will have been replaced. This large capital project has not been undertaken in over 20 years and should provide long term security that the Town has put the backbone of the electric system in good repair. This pole replacement project is the highest priority of the Electric Department. Additional project completed in FY 2018-2019 include replacement and repair of the ground systems at the Town substations and placement of control houses at Lawing Road and Beaver Street substations. A combination of the pole replacement and substations improvements have greatly modernized the Electric Department.

### ***Water and Sewer System***

In 2018 the Town applied for a grant that would do the following: water and sewer system mapping and inventory, asset management operation system and a capital improvement plan. Because the Town transfers money from our Water and Sewer Fund to our General Fund our grant application was not funded. If the Town had been successful in securing this grant, it would have been a comprehensive look at our water and sewer system and given us a long-term capital plan that would allow the Town to prioritize problem areas. It would also have provided the Town a multiyear budget for replacement of equipment and infrastructure in the water, sewer and waste treatment areas. The Town is working with McGill to provide a long-range plan since this grant could not be secured. This is not the comprehensive assessment that would have been provided by the grant, but it will help the Town set some capital priorities in water and sewer. This report is expected to be completed and presented in June 2019.

### ***Parks and Recreation System***

Three large projects are at completion or should be complete by the end of 2019 that directly impact the Town's park system: The Forest City Pavilion on Park Square, the Thermal Belt Rail Trail, and the PARTF grant that will fund trail amenities. Three additional park items were mentioned in the budget message that need to be addressed.

Replace 1980's playground set at Crowe Park	\$150,000 (recommended)
Replace 1990's basketball goals at Cool Springs (listed in I. Introduction for Board consideration.)	\$35,000
Replace textured track at Summey Park	\$155,000 (application to RHI Foundation)

### ***Options for Buildings Behind 108***

Mural Artist Clive Haynes has developed some ideas for the back side of the group of buildings from Park Square to Mill Street. The Board may wish to seek a full proposal from Clive. If acceptable and all the building owners wished to participate, this would be façade grant eligible.

In addition, the following ideas have been received by the UNC-Greensboro Design Team. These items are in Appendix H.

### ***Streetscape***

The Board may wish to consider additional streetscape improvements in the future. The FY 2019-2020 Governor's Budget includes approximately \$433,000 for Forest City streetscape enhancements.

### **Town Hall**

Discussions of a new Town Hall have taken place over the last few years. The last information provided to the Board is in Appendix I.

The Town is in a very healthy financial position. The increased economic conditions in Town should bode well for our utility system. Along with the new restaurants and shops, the completion of the Forest City Pavilion on Park Square and the Thermal Belt Rail Trail should further increase the economic vitality of the downtown. The completion of the Hampton Inn and Suites and the renovation at the Days Inn, Quality Inn, and Holiday Inn Express should spur significant new tourism dollars. Everest Textiles particularly with the water and wastewater usage should provide additional revenue. We also understand that Horsehead anticipates resuming large scale operation in spring 2019. Everest water usage continues to grow.

### **XVII. EMPLOYEE REQUESTS, BENEFITS, COST OF LIVING ADJUSTMENT (COLA), & CERTIFICATIONS**

The number of full-time authorized positions by department is included in Appendix J.

This budget recommends a 2.8% COLA effective July 1, 2019. The 2.8% recommendation is based on a 2.8% Social Security increase effective January 2019. CPI increased by 2.8%. The total cost of the 2.8% increase for all Town employees is \$222,577.

There are two new employees recommended in this budget: Locator/GIS Technician in Public Works and Electric Department Groundman also in Public Works. The Locator would relieve several departments of the added workload to locate utilities. In 2018, there were an average of 170 locate requests per month. The Electric Department Groundman would assist with day to day operations and working on Christmas lights. This employee will train with experienced linemen to learn the job as well as attending classes to further their education.

The following have reached full retirement for FY 2019-2020: Police Chief Jay Jackson, Assistant Fire Chief Gregg Tate, Planning and Codes Administrator Jimmy Clay, Public Works Director Barry Spurlin, Waste Treatment Superintendent Jeff Dotson, Pump Maintenance Crew Leader Allen Greene, Street Maintenance Supervisor Rick Blanton, and Street Department employees - Ricky Mosteller, Donnie Hampton, Tommy Green, and William Watkins. Although they have not stated a definite retirement date or final decision, six weeks of vacation payout is budgeted in the event they retire in FY 2019-2020.



The Town continues to cover 100% of the cost of health insurance. The estimated employee insurance cost per month is \$568.64.

During FY 2014-2015 the Town implemented programs to recognize Senior Police Officers, Fire Fighter Specialists and Water and Sewer distribution and collection certifications. The Town had previously recognized certification increases in Building Inspections, the Water Plant, and the Wastewater Plant. The chart in Appendix K represents the employees that have achieved higher job levels through a combination of training and experience as well as those that are anticipated to receive additional training that will allow them to reach a higher position/recognition in FY 2019-2020.

The FY 2014-2015 budget implemented a matching 401k program for non-law enforcement employees. *The Town is currently required by North Carolina General Statutes to contribute 5% of law enforcement officers' salaries to a 401k plan.* This does not require any match by the law enforcement officer. The FY 2014-2015 budget began a contribution plan for non-law enforcement employees of \$10 per pay period *if* the employee contributes at least \$10 per pay period. In the FY 2015-2016 budget that contribution was increased to \$20 per pay period if the employee contributes at least \$20 per pay period and in FY 2016-2017 it was increased to \$30 per pay period. Seventy-three of the 96 non-law enforcement employees participate in this plan. In the FY 2017-2018 budget this 401K program increased to \$40.00 as the final installment in a program that resulted in a contribution of approximately \$1,000 per year to those employees who wish to participate in the plan.

In FY 2015-2016, a program was implemented to recognize senior employees. For this program to impact an employee, he/she must meet the following requirements:

1. Minimum ten years with the Town; and
2. At age 60 with 20 years in the retirement system; or
3. At any age with 25 years in the retirement system;
4. Employee's salary will be no less than the midpoint of the salary range;
5. Must be in current position at least two years.

The goal of this program is to reward long term employees in the latter years of their career so that they will be compensated at no less than the mid-point of their salary grade in the last years of working with the Town. The highest four years of salary are also important in determining retirement compensation. No employee will meet these criteria in FY 2019-2020.

**Chart 10: Employee Salary FY 2019-2020  
COLA and Certifications**

Cost of Living Increase	\$222,577
Journeyman	\$ 4,645
Police	\$ 6,284
Fire	\$ 3,681
Inspections	\$ 7,516
Water & Sewer Operations, Pump Maintenance	\$ 3,868
Water Treatment Plant	\$ 4,440
Total	<u>\$253,011</u>

**XVIII. CONCLUSION**

As stated in the introduction, the major goal of this budget is to maintain services without increasing property tax rates or user fees with the exception of the pass-through waste collection charge. This budget as recommended accomplishes that goal. Garbage collections fees were increased by 4.5% to cover cost increase.

The recommended capital requests set the stage for allowing the Town to continue to progress forward. During FY 2019-2020 the Town will fully open the POPS, complete the Thermal Belt Rail Trail, complete the PARTF grant improvements in front of the Florence Mill and continue to improve downtown assets such as the Streetscape Plan.

This budget also continues to make an investment in the employees who are the major service providers to the Town. This budget contains a 2.8% COLA and the continuance of the previously approved Career Development Plans in multiple departments which should position the Town well in the future. As mentioned earlier in the budget, the Career Development plans include Police, Fire, Public Works, Water Plant, Sewer Plant, Building Inspection, and Electric.

As was discussed in the Budget Message Introduction, this budget expects to use fund balance/cash balance reserves for the Forest City Pavilion On Park Square and Thermal Belt Rail Trail. The chart below shows that the overall recommended budget of the Town would decrease from \$42,722,074 in FY 2017-2018 to \$33,703,478 in FY 2018-2019 which is a decrease of \$9,018,596.

**TOWN OF FOREST CITY FY 2018-2019 AMENDED  
FY 2019-2020 REQUESTED & RECOMMENDED BUDGETS**

	<b>Amended <u>FY 2018-19</u></b>	<b>Requested <u>FY 2019-20</u></b>	<b>Recommended <u>FY 2019-20</u></b>
General Fund	\$13,739,828	\$15,617,033	\$14,126,806
Florence Mill Fund	\$ 25,000	\$ 0	\$ 0
Parks & Recreation Fund	\$ 4,826,920	\$ 2,637,966	\$ 2,447,966
Water & Sewer Fund	\$ 6,273,367	\$ 7,071,318	\$ 5,551,786
Electric Fund	<u>\$13,247,303</u>	<u>\$14,935,436</u>	<u>\$14,044,867</u>
<b>TOTAL</b>	<b>\$38,112,418</b>	<b>\$40,261,753</b>	<b>\$36,171,425</b>

I would like to thank all the Town Department Heads for their efforts during the budget preparation process and their assessment of what was needed to accomplish their respective tasks.

Respectfully Submitted,



John Condrey  
City Manager

\*\*\*The appendixes are not included in the printed budget book. They are available upon request.\*\*\*

TOWN OF FOREST CITY

FY 2019-2020.

GENERAL FUND LINE ITEM REVENUE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
10 GENERAL FUND	
10-3121-170 TAX INTEREST AND COST	13,000.00
10-3213-202 PROP TAXES AUTO - STATE COLLECTE	114,800.00
10-3218-110 TAXES AD VALOREM-2018	30,000.00
10-3219-110 TAXES AD VALOREM-2019	5,406,676.00
10-3219-201 VEHICLE RENT TAX-2019	20,000.00
10-3230-120 SALES TAX-1/2%-ART#44	110,000.00
10-3231-120 SALES TAX-1%-ART#39	609,000.00
10-3232-120 SALES TAX-1/2%-ART#40	394,000.00
10-3233-120 SALES TAX-1/2%-ART#42	287,000.00
10-3310-312 ABC-PROFIT REVENUE	195,689.00
10-3324-300 SALES TAX-TELECOM	100,000.00
10-3324-310 FRANCHISE TAX-ELEC	710,000.00
10-3324-320 EXCISE TAX-NAT GAS	24,000.00
10-3324-325 EXCISE TAX-VIDEO	37,000.00
10-3326-001 SOLID WASTE DISP TAX DISTRIBUTION	5,500.00
10-3328-003 HOLD HARMLESS REVENUES	395,000.00
10-3330-309 TDA GRANT	50,000.00
10-3331-310 PAYMENT IN LIEU OF TAX-LOCAL	13,000.00
10-3331-315 FCHA - SALARY SUPPORT	10,000.00
10-3331-316 POL SECURITY SUPP-FCHA	11,000.00
10-3331-317 POL SECURITY SUPP-FC OWLS	10,000.00
10-3331-318 POL SECURITY SUPP-FC CLUBHOUSE	2,000.00
10-3343-410 BUILDING PERMITS	150,000.00
10-3345-415 CODE ENFORCEMENT REVENUE	20,000.00
10-3411-330 CONTROLLED SUBSTANCE TAX DIST.	10,000.00
10-3411-430 BEER/WINE EXCISE TAXES	33,000.00
10-3413-581 RETURNED CHECK FEE	3,000.00
10-3414-861 RENTS-BANK BLDG	36,000.00
10-3414-862 DOWNTOWN ACTIVITIES REVENUE	14,000.00
10-3414-863 POPS EVENT SPONSORSHIPS	20,000.00
10-3416-310 COURT FEES AND CHARGES	3,000.00
10-3431-252 POL TAKE HOME CAR REVENUE	1,800.00
10-3431-410 FIRE PROTECTION CHARGES	5,000.00
10-3431-411 STATE FIRE FUND REVENUE	6,000.00
10-3431-412 FIRE DISTRICT TAX	11,020.00
10-3451-330 POWELL BILL STREET ALLOCATION	240,000.00
10-3451-335 ON-BEHALF FIRE PENSIONS	3,500.00

FY 2019-2020

TOWN OF FOREST CITY  
GENERAL FUND LINE ITEM REVENUE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
10-3451-410 STREET PAVING AND DEVLPRS COST	3,000.00
10-3451-516 BOSTIC GENERAL WORK	1,000.00
10-3451-710 SALE OF MULCH	500.00
10-3471-410 WASTE COLLECTION CHARGES	1,295,800.00
10-3831-491 INTEREST EARNED GENERAL FUND	45,000.00
10-3831-492 INTEREST EARNED-POWELL BILL	4,000.00
10-3839-865 COOL SPRINGS CEMETERY LOTS	5,000.00
10-3839-870 ALEX CEMETERY LOTS	2,000.00
10-3987-980 TRANSFERRED FROM ELECTRIC FUND	2,589,534.00
10-3991-995 FUND BALANCE APPROPRIATED	<u>1,077,875.00</u>
10 GENERAL FUND	<u>14,127,694.00</u>
	<u><u>14,127,694.00</u></u>

FY 2019-2020

TOWN OF FOREST CITY  
GENERAL FUND EXPENDITURE BUDGET SUMMARY

	ORIGINAL BUDGET
4110 GOVERNING BODY	63,289.00
4120 ADMINISTRATIVE	4,399,045.00
4130 FINANCE	312,510.00
4150 LEGAL	48,263.00
4240 WAREHOUSE AND GARAGE	80,636.00
4260 PUBLIC WORKS BUILDINGS	108,140.00
4310 POLICE	3,261,168.00
4340 FIRE	1,544,574.00
4341 VOLUNTEER FIRE	57,500.00
4350 CODE ENFORCEMENT	522,605.00
4360 COMMUNITY DEV & EVENTS	528,520.00
4510 STREETS	1,583,339.00
4520 POWELL BILL	234,187.00
4540 CEMETERY	18,000.00
4710 SANITATION	1,313,174.00
6801 DEBT SERVICE	52,744.00
10 GENERAL FUND	14,127,694.00
	14,127,694.00

TOWN OF FOREST CITY

FY 2019-2020

GENERAL FUND LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>		<u>ORIGINAL BUDGET</u>
10 GENERAL FUND		
4110 GOVERNING BODY		
10-4110-131	BOARD MEMBER SERVICES	49,181.00
10-4110-180	FRINGE BENEFITS	6,262.00
10-4110-299	DEPT MATERIALS AND SUPPLIES	4,000.00
10-4110-311	TRAVEL AND TRAINING EXPENSE	2,000.00
10-4110-325	POSTAGE	250.00
10-4110-351	CEP & BANK BUILDING REP/MAINT	2,500.00
10-4110-352	EQUIP MAINT AND REPAIR	1,000.00
10-4110-450	INSURANCE AND BONDS	9,000.00
10-4110-491	DUES AND SUBSCRIPTIONS	2,500.00
10-4110-525	NON-DEPR C O EQUIP	1,000.00
10-4110-620	APPRECIATION	4,200.00
10-4110-621	SISTER CITY EVENTS & PROMOTIONS	3,000.00
10-4110-630	CONTRIBUTIONS	20,000.00
10-4110-707	IT EQUIP-NON-DEPRECIABLE	2,200.00
10-4110-890	ELECTION EXPENSE	4,500.00
10-4110-998	WATER & SEWER FD REIMBURSEMENT	-32,283.00
10-4110-999	ELECTRIC FD REIMBURSEMENT	-16,021.00
4110 GOVERNING BODY		<u>63,289.00</u>
4120 ADMINISTRATIVE		
10-4120-121	SALARIES	362,884.00
10-4120-129	OVERTIME-SALARIES	2,000.00
10-4120-180	FRINGE BENEFITS	144,140.00
10-4120-193	PRO. SER.-DRUG TESTING	5,500.00
10-4120-198	PROF SVC-WEBSITE MAINTENANCE	7,000.00
10-4120-212	UNIFORMS	500.00
10-4120-251	AUTO SUPPLIES	2,000.00
10-4120-298	BEAUTIFICATION COMMITTEE EXPEN	65,000.00
10-4120-299	DEPT MATERIALS & SUPPLIES	11,500.00
10-4120-311	TRAVEL AND TRAINING EXPENSE	2,670.00
10-4120-321	TELEPHONE	7,000.00
10-4120-325	POSTAGE	1,250.00
10-4120-331	ELECTRIC UTILITIES	6,200.00
10-4120-333	NATURAL GAS UTILITIES	700.00
10-4120-351	BUILDING AND GRDS REPAIRS AND	52,000.00
10-4120-352	EQUIP MAINT AND REPAIR	2,000.00
10-4120-353	VEHICLE SERVICE AND REPAIR	1,000.00



TOWN OF FOREST CITY

FY 2019-2020

GENERAL FUND LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
10-4120-397 CONTRACTED SERVICES	68,500.00
10-4120-450 INSURANCE AND BONDS	24,500.00
10-4120-454 FACEBOOK GRANT	3,687,942.00
10-4120-491 DUES AND SUBSCRIPTIONS	45,160.00
10-4120-499 MISCELLANEOUS	1,000.00
10-4120-525 NON-DEPR C O EQUIP	4,800.00
10-4120-590 CO OTHER IMPROVEMENTS-LANDSCAPE	25,000.00
10-4120-701 IT DEPT MATERIALS/SUPPLIES	12,000.00
10-4120-702 IT DEPT TRAVEL/TRAINING	3,500.00
10-4120-703 IT DEPT BLDG/GROUNDS MAINT/REPAIR	12,000.00
10-4120-704 IT DEPT EQUIP MAINT/REPAIR	5,000.00
10-4120-705 IT DEPT VEHICLE MAINT/REPAIR	2,500.00
10-4120-707 IT DEPT NON-DEPR EQUIP	23,900.00
10-4120-712 IT DEPT UNIFORMS	1,200.00
10-4120-998 WATER & SEWER FD REIMBURSEMENT	-127,853.00
10-4120-999 ELECTRIC FUND REIMBURSEMENT	-63,448.00
4120 ADMINISTRATIVE	<u>4,399,045.00</u>

4130 FINANCE

10-4130-121 SALARIES AND WAGES	145,920.00
10-4130-129 OVERTIME-SALARIES	3,000.00
10-4130-180 FRINGE BENEFITS	64,709.00
10-4130-191 ACCOUNTING SERVICES	35,000.00
10-4130-192 PROFESSIONAL SERVICES-HR	2,000.00
10-4130-295 BANK SERVICE CHARGES	10,000.00
10-4130-299 DEPT MATERIALS & SUPPLIES	12,000.00
10-4130-311 TRAVEL & TRAINING EXPENSE	7,177.00
10-4130-321 TELEPHONE	4,000.00
10-4130-325 POSTAGE	2,800.00
10-4130-331 ELECTRIC UTILITIES	3,000.00
10-4130-352 EQUIP MAINT AND REPAIR	1,800.00
10-4130-397 CONTRACTED SERVICES	47,500.00
10-4130-450 INSURANCE AND BONDS	5,900.00
10-4130-491 DUES AND SUBSCRIPTIONS	8,668.00
10-4130-525 NON-DEPR C O EQUIP	5,000.00
10-4130-998 WATER & SEWER FD REIMBURSEMENT	-30,719.00
10-4130-999 ELECTRIC FUND REIMBURSEMENT	-15,245.00
4130 FINANCE	<u>312,510.00</u>

TOWN OF FOREST CITY

FY 2019-2020

GENERAL FUND LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
4150 LEGAL	
10-4150-180 FRINGE BENEFITS	7,823.00
10-4150-192 LEGAL SERVICES	78,225.00
10-4150-998 WATER & SEWER FD REIMBURSEMENT	-25,253.00
10-4150-999 ELECTRIC FD REIMBURSEMENT	-12,532.00
4150 LEGAL	<u>48,263.00</u>
4240 WAREHOUSE AND GARAGE	
10-4240-121 SALARIES & WAGES - REGULAR	102,647.00
10-4240-129 OVERTIME-SALARIES	400.00
10-4240-180 FRINGE BENEFITS	44,786.00
10-4240-212 UNIFORMS	2,000.00
10-4240-251 AUTOMOTIVE SUPPLIES	7,000.00
10-4240-299 DEPT MATERIALS & SUPPLIES	15,000.00
10-4240-311 TRAVEL AND TRAINING EXPENSE	1,000.00
10-4240-321 TELEPHONE	1,500.00
10-4240-331 ELECTRIC UTILITIES	4,000.00
10-4240-333 UTILITIES-NATURAL GAS	700.00
10-4240-351 BUILDINGS & GRDS REPAIR & MAIN	12,170.00
10-4240-352 EQUIPMENT SERVICE AND REPAIRS	2,200.00
10-4240-353 VEHICLE SERVICE & REPAIR	2,000.00
10-4240-397 CONTRACTED SERVICES	2,000.00
10-4240-450 INSURANCE AND BONDS	2,500.00
10-4240-491 DUES AND SUBSCRIPTIONS	551.00
10-4240-525 NON-DEPR C O EQUIP	5,800.00
10-4240-550 C O EQUIPMENT	6,200.00
10-4240-998 WATER & SEWER FD REIMBURSEMENT	-65,909.00
10-4240-999 ELECTRIC FD REIMBURSEMENT	-65,909.00
4240 WAREHOUSE AND GARAGE	<u>80,636.00</u>
4260 PUBLIC WORKS BUILDINGS	
10-4260-121 SALARIES & WAGES - REGULAR	92,696.00
10-4260-129 OVERTIME-SALARIES	400.00
10-4260-180 FRINGE BENEFITS	50,481.00
10-4260-212 UNIFORMS	1,500.00
10-4260-251 AUTOMOTIVE SUPPLIES	1,700.00
10-4260-299 DEPT MATERIALS & SUPPLIES	11,000.00
10-4260-311 TRAVEL AND TRAINING EXPENSE	2,000.00
10-4260-321 TELEPHONE	3,500.00
10-4260-331 ELECTRIC UTILITIES	5,000.00

TOWN OF FOREST CITY

FY 2019-2020

GENERAL FUND LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
10-4260-333 UTILITIES-NATURAL GAS	5,000.00
10-4260-351 BUILDINGS & GRDS REPAIR & MAIN	59,075.00
10-4260-352 EQUIPMENT SERVICE AND REPAIRS	4,500.00
10-4260-353 VEHICLE SERVICE & REPAIR	3,000.00
10-4260-397 CONTRACTED SERVICES	1,000.00
10-4260-450 INSURANCE AND BONDS	3,250.00
10-4260-491 DUES AND SUBSCRIPTIONS	1,956.00
10-4260-525 NON-DEPR C O EQUIP	6,000.00
10-4260-707 IT EQUIPMENT-NON DEPRECIABLE	4,100.00
10-4260-998 WATER & SEWER FD REIMBURSEMENT	-74,009.00
10-4260-999 ELECTRIC FD REIMBURSEMENT	-74,009.00
4260 PUBLIC WORKS BUILDINGS	<u>108,140.00</u>

4310 POLICE

10-4310-121 SALARIES AND WAGES	1,717,971.00
10-4310-123 SPECIAL SEPARATION ALLOWANCE	41,980.00
10-4310-129 OVERTIME-SALARIES	15,000.00
10-4310-180 FRINGE BENEFITS	815,767.00
10-4310-193 PROFESSIONAL SERVICES-MEDICAL	5,000.00
10-4310-212 UNIFORMS	26,000.00
10-4310-251 AUTOMOTIVE SUPPLIES	60,000.00
10-4310-288 K-9 SUPPLIES/EQUIP	5,650.00
10-4310-299 DEPT MATERIALS & SUPPLIES	32,000.00
10-4310-304 FCHA SECURITY-SALARIES	11,000.00
10-4310-305 FC OWLS SECURITY-SALARIES	10,000.00
10-4310-306 FC CLUBHOUSE SECURITY SALARIES	2,000.00
10-4310-311 TRAVEL AND TRAINING EXPENSE	20,000.00
10-4310-321 TELEPHONE	42,000.00
10-4310-325 POSTAGE	1,000.00
10-4310-331 ELECTRIC UTILITIES	10,000.00
10-4310-333 GAS UTILITIES	850.00
10-4310-351 BUILDINGS & GRDS REPAIR & MAIN	25,000.00
10-4310-352 EQUIPMENT SERVICE & REPAIRS	10,000.00
10-4310-353 VEHICLE SERVICE & REPAIRS	30,000.00
10-4310-397 CONTRACTED SERVICES	62,000.00
10-4310-450 INSURANCE AND BONDS	45,000.00
10-4310-491 DUES AND SUBSCRIPTIONS	17,500.00
10-4310-499 MISCELLANEOUS	5,000.00

TOWN OF FOREST CITY

FY 2019-2020

GENERAL FUND LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
10-4310-525 NON-DEPR C O EQUIP	17,000.00
10-4310-529 PURCHASES W/ SUBSTANCE TAX (RMS)	10,000.00
10-4310-550 C O EQUIPMENT	203,750.00
10-4310-631 SPECIAL INVESTIGATIONS	4,000.00
10-4310-707 IT EQUIP-NON-DEPRECIABLE	8,200.00
10-4310-708 IT EQUIPMENT-DEPRECIABLE	7,500.00
4310 POLICE	<u>3,261,168.00</u>

4340 FIRE

10-4340-121 SALARIES AND WAGES	811,481.00
10-4340-129 OVERTIME-SALARIES	22,500.00
10-4340-180 FRINGE BENEFITS	355,709.00
10-4340-185 ON-BEHALF FRINGE BENEFITS	10,000.00
10-4340-193 PROFESSIONAL SERVICES-MEDICAL	6,860.00
10-4340-212 UNIFORMS	10,000.00
10-4340-251 AUTOMOTIVE SUPPLIES	18,000.00
10-4340-299 DEPT MATERIALS & SUPPLIES	18,000.00
10-4340-300 FIRST RESPONDERS SUPPLIES	6,500.00
10-4340-311 TRAVEL & TRAINING EXPENSE	13,500.00
10-4340-321 TELEPHONE	10,000.00
10-4340-325 POSTAGE	220.00
10-4340-331 ELECTRIC UTILITIES	8,000.00
10-4340-333 NATURAL GAS UTILITIES	3,000.00
10-4340-351 BUILDINGS & GRDS REPAIR & MAIN	15,000.00
10-4340-352 EQUIPMENT REPAIRS	6,500.00
10-4340-353 VEHICLE SERVICE & REPAIR	11,000.00
10-4340-395 EMPLOYEE TRAINING	2,400.00
10-4340-397 CONTRACTED SERVICES	14,800.00
10-4340-450 INSURANCE AND BONDS	43,000.00
10-4340-491 DUES AND SUBSCRIPTIONS	16,604.00
10-4340-525 NON-DEPR C O EQUIP	34,000.00
10-4340-550 C O EQUIPMENT	104,000.00
10-4340-707 IT EQUIP-NON DEPRECIABLE	3,500.00
4340 FIRE	<u>1,544,574.00</u>

4341 VOLUNTEER FIRE

10-4341-128 NON-PERMANENT SALARIES	50,000.00
10-4341-180 FRINGE BENEFITS	7,500.00
4341 VOLUNTEER FIRE	<u>57,500.00</u>

TOWN OF FOREST CITY

FY 2019-2020

GENERAL FUND LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
4350 CODE ENFORCEMENT	
10-4350-121 SALARIES AND WAGES	269,738.00
10-4350-129 OVERTIME-SALARIES	2,000.00
10-4350-180 FRINGE BENEFITS	116,121.00
10-4350-199 PROFESSIONAL SERVICES-PLANNING	5,000.00
10-4350-212 UNIFORMS	2,000.00
10-4350-251 AUTOMOTIVE SUPPLIES	2,500.00
10-4350-299 DEPT MATERIALS AND SUPPLIES	9,000.00
10-4350-304 OVERTIME SAL-FACEBOOK	1,000.00
10-4350-311 TRAVEL & TRAINING EXPENSE	10,400.00
10-4350-321 TELEPHONE	4,000.00
10-4350-325 POSTAGE	300.00
10-4350-352 EQUIPMENT SERVICE & REPAIR	1,500.00
10-4350-353 VEHICLE SERVICE & REPAIR	2,500.00
10-4350-397 CONTRACTED SERVICES	47,000.00
10-4350-450 INSURANCE AND BONDS	5,600.00
10-4350-491 DUES AND SUBSCRIPTIONS	5,146.00
10-4350-550 C O EQUIPMENT	32,000.00
10-4350-707 IT EQUIP-NON-DEPRECIABLE	6,800.00
4350 CODE ENFORCEMENT	<u>522,605.00</u>
4360 COMMUNITY DEV & EVENTS	
10-4360-121 SALARIES AND WAGES	104,712.00
10-4360-126 SALARIES-TEMP/PART-TIME	3,750.00
10-4360-129 OVERTIME-SALARIES	2,000.00
10-4360-180 FRINGE BENEFITS	45,585.00
10-4360-212 UNIFORMS	300.00
10-4360-325 POSTAGE	200.00
10-4360-401 REVITAL-ADM/PLAN	4,725.00
10-4360-402 REVITAL-DUES/SUBSCRIPTIONS	2,500.00
10-4360-403 REVITAL-TRAVEL/TRAINING	7,400.00
10-4360-404 REVITAL-PROF SERVICES	15,000.00
10-4360-405 REVITAL-EVENTS/PROMOTIONS	40,000.00
10-4360-407 IMAGE BUILDING-BROCHURES/INFO	12,500.00
10-4360-408 DOWNTOWN/COMMUNITY ACTIVITIES EXP	44,000.00
10-4360-410 MARKETING	30,000.00
10-4360-414 108 E MAIN ST BLDG MAINTENANCE	33,348.00
10-4360-416 DOWNTOWN FACADE GRANT	25,000.00
10-4360-420 PARK EVENTS	151,500.00

TOWN OF FOREST CITY

FY 2019-2020

GENERAL FUND LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
10-4360-423 MARKETING-TRAVEL/TRAINING	2,000.00
10-4360-425 MARKETING-EVENT PROMOTIONS	4,000.00
4360 COMMUNITY DEV & EVENTS	<u>528,520.00</u>
<b>4510 STREETS</b>	
10-4510-121 SALARIES AND WAGES	567,568.00
10-4510-129 OVERTIME-SALARIES	13,500.00
10-4510-180 FRINGE BENEFITS	263,950.00
10-4510-194 ENGINEERING SERVICES	15,500.00
10-4510-212 UNIFORMS	9,500.00
10-4510-251 AUTOMOTIVE SUPPLIES	45,000.00
10-4510-299 DEPT MATERIALS & SUPPLIES	30,000.00
10-4510-311 TRAVEL & TRAINING EXPENSE	500.00
10-4510-321 TELEPHONE	1,300.00
10-4510-331 ELECTRIC UTILITIES	100,000.00
10-4510-352 EQUIPMENT SERVICE & REPAIR	35,000.00
10-4510-353 VEHICLE SERVICE & REPAIR	20,000.00
10-4510-397 CONTRACTED SERVICES	175,000.00
10-4510-450 INSURANCE AND BONDS	20,000.00
10-4510-491 DUES AND SUBSCRIPTIONS	368.00
10-4510-525 NON-DEPR C O EQUIP	10,000.00
10-4510-550 C O EQUIPMENT	243,000.00
10-4510-590 C O OTHER IMPROVEMENTS	13,153.00
10-4510-591 C O OTHER-RESERVES	20,000.00
4510 STREETS	<u>1,583,339.00</u>
<b>4520 POWELL BILL</b>	
10-4520-121 SALARIES AND WAGES	20,529.00
10-4520-180 FRINGE BENEFITS	5,658.00
10-4520-194 ENGINEERING SERVICES	3,000.00
10-4520-299 DEPT MATERIALS & SUPPLIES	5,000.00
10-4520-396 POWELL BILL CONTRACTS	200,000.00
4520 POWELL BILL	<u>234,187.00</u>
<b>4540 CEMETERY</b>	
10-4540-251 AUTOMOTIVE SUPPLIES	2,000.00
10-4540-299 DEPT MATERIALS & SUPPLIES	3,000.00
10-4540-352 EQUIPMENT SERVICE & REPAIR	4,000.00
10-4540-353 VEHICLE MAINTENANCE & REPAIR	1,000.00
10-4540-450 INSURANCE	500.00

TOWN OF FOREST CITY

FY 2019-2020

GENERAL FUND LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
10-4540-590 C O OTHER IMPROVEMENTS	<u>7,500.00</u>
4540 CEMETERY	<u>18,000.00</u>
4710 SANITATION	
10-4710-325 DEPT POSTAGE	12,000.00
10-4710-397 CONTRACTED SERVICES	1,285,274.00
10-4710-398 COUNTY LANDFILL FEE	<u>15,900.00</u>
4710 SANITATION	<u>1,313,174.00</u>
6801 DEBT SERVICE	
10-6801-801 DEBT PAYMENTS	<u>52,744.00</u>
6801 DEBT SERVICE	<u>52,744.00</u>
10 GENERAL FUND	<u>14,127,694.00</u>
	<u>14,127,694.00</u>

TOWN OF FOREST CITY

FY 2019-2020

PARKS & RECREATION LINE ITEM REVENUE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
15 PARKS AND RECREATION	
15-3610-860 FC CLUBHOUSE RENT	20,000.00
15-3611-581 PENALTY-LATE LIB BK RETURN	1,400.00
15-3612-480 CONCESSIONS CALLISON REC CENTE	1,300.00
15-3612-488 ORGANIZED PROGRAM RECEIPTS	20,000.00
15-3612-860 RENTS CALLISON REC CENTER	2,000.00
15-3613-480 CONCESSIONS-TOWN PARK	2,000.00
15-3613-860 RENTS-TOWN PARK	9,000.00
15-3613-862 MCNAIR FIELD RENTAL	12,000.00
15-3615-481 CLAY ST POOL ADMISSIONS	14,000.00
15-3615-482 SWIMMING LESSONS	3,000.00
15-3615-483 SEASON TICKETS	5,000.00
15-3615-484 POOL PARTY LIFEGUARD SECURITY	4,200.00
15-3616-160 TRAIL GRANT REVENUE (PARTF)	350,000.00
15-3617-484 GOLF COURSE-GREEN FEES	35,000.00
15-3617-485 GOLF COURSE-MEMBERSHIP FEES	45,000.00
15-3617-487 CONCESSIONS SOLD-GLF CRS	5,000.00
15-3617-860 RENT- GOLF CARTS	90,000.00
15-3831-493 INTEREST EARNED PARKS/REC FUND	20,000.00
15-3833-860 MCNAIR FIELD LEASE	22,000.00
15-3835-820 FIXED ASSETS SOLD	72,000.00
15-3839-890 MISCELLANEOUS	4,000.00
15-3987-980 TRANSFERS FROM ELECTRIC FUND	1,361,066.00
15-3991-995 FUND BALANCE APPROPRIATED	430,000.00
15 PARKS AND RECREATION	<u>2,527,966.00</u>
	<u><u>2,527,966.00</u></u>



TOWN OF FOREST CITY

FY 2019-2020

PARKS & RECREATION EXPENDITURE BUDGET SUMMARY

	<u>ORIGINAL BUDGET</u>
6110 LIBRARY	172,733.00
6120 CALLISON REC CENTER	348,164.00
6125 COOL SPRINGS GYM	49,013.00
6130 PARKS AND PLAYGROUNDS	599,721.00
6135 MCNAIR FIELD	113,514.00
6145 PAVILION ON PARK SQUARE	126,402.00
6150 CLAY STREET POOL	98,732.00
6160 ATHLETIC PROGRAMS	107,600.00
6170 GOLF COURSE	694,294.00
6180 FOREST CITY CLUB HOUSE	38,132.00
6801 DEBT SERVICE	179,661.00
15 PARKS AND RECREATION	2,527,966.00
	2,527,966.00

TOWN OF FOREST CITY

FY 2019-2020 PARKS & RECREATION LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
15 PARKS AND RECREATION	
6110 LIBRARY	
15-6110-121 SALARIES AND WAGES-REGULAR	68,054.00
15-6110-128 NON PERMANENT SALARIES	9,180.00
15-6110-129 OVERTIME-SALARIES	450.00
15-6110-180 FRINGE BENEFITS	37,330.00
15-6110-289 SPECIAL EVENTS	1,300.00
15-6110-290 BOOKS	13,350.00
15-6110-293 AUDIO/VISUAL MEDIA	3,850.00
15-6110-299 DEPT MATERIALS AND SUPPLIES	4,000.00
15-6110-311 TRAVEL AND TRAINING EXPENSE	500.00
15-6110-321 TELEPHONE	700.00
15-6110-331 ELECTRIC UTILITIES	3,750.00
15-6110-351 BLDG & GRDS REPAIR AND MAINT	9,000.00
15-6110-352 EQUIPMENT SERVICE & REPAIR	1,100.00
15-6110-397 CONTRACTED SERVICES	2,929.00
15-6110-450 INSURANCE	2,150.00
15-6110-491 DUES AND SUBSCRIPTIONS	3,390.00
15-6110-525 NON-DEPR C O EQUIP	5,000.00
15-6110-707 IT EQUIP-NON DEPRECIABLE	6,700.00
6110 LIBRARY	<u>172,733.00</u>
6120 CALLISON REC CENTER	
15-6120-121 SALARIES AND WAGES-REGULAR	156,003.00
15-6120-128 NON PERMANENT SALARIES	30,744.00
15-6120-129 OVERTIME-SALARIES	2,200.00
15-6120-180 FRINGE BENEFITS	71,426.00
15-6120-212 UNIFORMS	1,000.00
15-6120-251 AUTOMOTIVE SUPPLIES	1,500.00
15-6120-289 SPECIAL EVENTS	500.00
15-6120-299 DEPT MATERIALS AND SUPPLIES	8,000.00
15-6120-311 TRAVEL AND TRAINING EXPENSE	3,000.00
15-6120-321 TELEPHONE	5,000.00
15-6120-325 POSTAGE	400.00
15-6120-331 ELECTRIC UTILITIES	8,600.00
15-6120-333 NATURAL GAS UTILITIES	2,500.00
15-6120-351 BLDGS & GRDS REPAIR AND MAINT	37,000.00
15-6120-352 EQUIPMENT SERVICE AND REPAIR	3,000.00
15-6120-353 VEHICLE SERVICE AND REPAIR	1,000.00

TOWN OF FOREST CITY

FY 2019-2020 PARKS & RECREATION LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
15-6120-397 CONTRACTED SERVICES/REC CENTER	3,560.00
15-6120-450 INSURANCE	6,000.00
15-6120-491 DUES AND SUBSCRIPTIONS	1,731.00
15-6120-525 NON-DEPR C O EQUIP	5,000.00
6120 CALLISON REC CENTER	<u>348,164.00</u>
<b>6125 COOL SPRINGS GYM</b>	
15-6125-299 DEPT MATERIALS AND SUPPLIES	2,300.00
15-6125-321 TELEPHONE	1,000.00
15-6125-331 ELECTRIC UTILITIES	17,000.00
15-6125-351 BLDG & GRDS REPAIR & MAINT	15,000.00
15-6125-352 EQUIPMENT SERVICE & REPAIR	1,000.00
15-6125-397 CONTRACTED SERVICES	1,430.00
15-6125-450 INSURANCE	4,600.00
15-6125-491 DUES AND SUBSCRIPTIONS	1,183.00
15-6125-525 NON-DEPR C O EQUIP	5,000.00
15-6125-707 IT EQUIP-NON-DEPRECIABLE	500.00
6125 COOL SPRINGS GYM	<u>49,013.00</u>
<b>6130 PARKS AND PLAYGROUNDS</b>	
15-6130-121 SALARIES AND WAGES-REGULAR	138,010.00
15-6130-126 SALARIES-TEMP/PART TIME	45,720.00
15-6130-129 OVERTIME-SALARIES	18,360.00
15-6130-180 FRINGE BENEFITS	80,491.00
15-6130-212 UNIFORMS	1,200.00
15-6130-251 AUTOMOTIVE SUPPLIES	6,000.00
15-6130-299 DEPT MATERIAL AND SUPPLIES	18,000.00
15-6130-311 TRAVEL AND TRAINING EXPENSE	1,300.00
15-6130-331 ELECTRIC UTILITIES-TOWN PARK	14,500.00
15-6130-351 BLDGS & GRDS REPAIR AND MAINT	50,000.00
15-6130-352 EQUIPMENT SERVICE AND REPAIR	10,000.00
15-6130-353 VEHICLE SERV AND REPAIR	4,000.00
15-6130-397 CONTRACTED SERVICES	2,000.00
15-6130-450 INSURANCE	3,300.00
15-6130-491 DUES AND SUBSCRIPTIONS	240.00
15-6130-525 NON-DEPR C O EQUIP	5,000.00
15-6130-590 C O OTHER IMPROVEMENTS	200,000.00
15-6130-707 IT EQUIP-NON DEPRECIABLE	1,600.00
6130 PARKS AND PLAYGROUNDS	<u>599,721.00</u>

TOWN OF FOREST CITY

FY 2019-2020

PARKS & RECREATION LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
6135 MCNAIR FIELD	
15-6135-126 SALARIES-TEMP/PART TIME	9,072.00
15-6135-129 OVERTIME-SALARIES	17,340.00
15-6135-180 FRINGE BENEFITS	5,002.00
15-6135-299 DEPT MATERIAL AND SUPPLIES	9,500.00
15-6135-331 ELECTRIC UTILITIES-TOWN PARK	20,000.00
15-6135-351 BLDGS & GRDS REPAIR AND MAINT	37,000.00
15-6135-352 EQUIPMENT SERVICE AND REPAIR	2,000.00
15-6135-397 CONTRACTED SERVICES	400.00
15-6135-450 INSURANCE	2,700.00
15-6135-525 NON-DEPR C O EQUIP	5,000.00
15-6135-707 IT EQUIP-NON-DEPRECIABLE	5,500.00
6135 MCNAIR FIELD	<u>113,514.00</u>
6145 PAVILION ON PARK SQUARE	
15-6145-126 SALARIES-TEMP/PART TIME	9,072.00
15-6145-129 OVERTIME-SALARIES	5,000.00
15-6145-180 FRINGE BENEFITS	3,730.00
15-6145-195 PROFESSIONAL SERVICES	10,000.00
15-6145-299 DEPT MATERIAL AND SUPPLIES	10,000.00
15-6145-331 ELECTRIC UTILITIES	5,000.00
15-6145-333 NATURAL GAS UTILITIES	2,000.00
15-6145-351 BLDGS & GRDS REPAIR AND MAINT	30,000.00
15-6145-352 EQUIPMENT SERVICE & REPAIR	5,000.00
15-6145-397 CONTRACTED SERVICES	600.00
15-6145-450 INSURANCE	8,000.00
15-6145-525 NON-DEPR C O EQUIP	5,000.00
15-6145-590 C O OTHER IMPROVEMENTS	30,000.00
15-6145-707 IT EQUIP-NON DEPRECIABLE	3,000.00
6145 PAVILION ON PARK SQUARE	<u>126,402.00</u>
6150 CLAY STREET POOL	
15-6150-126 SALARIES AND WAGES-TEMP/PART T	59,946.00
15-6150-127 POOL PARTY-SALARIES	4,100.00
15-6150-180 FRINGE BENEFITS	6,486.00
15-6150-299 DEPT MATERIALS AND SUPPLIES	10,000.00
15-6150-331 ELECTRIC UTILITIES	5,500.00
15-6150-351 BLDGS AND GRDS REPAIR AND MAIN	3,000.00
15-6150-352 EQUIPMENT SERVICE AND REPAIR	2,000.00
15-6150-450 INSURANCE	2,200.00

TOWN OF FOREST CITY

FY 2019-2020

PARKS & RECREATION LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
15-6150-525 NON-DEPR C O EQUIP	5,000.00
15-6150-707 IT EQUIP-NON DEPRECIABLE	500.00
6150 CLAY STREET POOL	<u>98,732.00</u>
<b>6160 ATHLETIC PROGRAMS</b>	
15-6160-128 NON PERMANENT SALARIES	19,136.00
15-6160-180 FRINGE BENEFITS	2,064.00
15-6160-289 SPECIAL EVENTS	2,800.00
15-6160-299 DEPT MATERIALS AND SUPPLIES	8,500.00
15-6160-450 INSURANCE	1,100.00
15-6160-525 NON-DEPR C O EQUIP	5,000.00
15-6160-692 LEGION CONTRIBUTION	2,000.00
15-6160-694 CONTRIBUTION--SENIOR CITIZENS	11,000.00
15-6160-696 YOUTH FOOTBALL	13,000.00
15-6160-697 LITTLE LEAGUE-BOYS AND GIRLS	16,000.00
15-6160-698 AAU BOYS BASKETBALL	17,000.00
15-6160-699 CONTRIBUTION TO SWIM TEAM	10,000.00
6160 ATHLETIC PROGRAMS	<u>107,600.00</u>
<b>6170 GOLF COURSE</b>	
15-6170-121 SALARIES AND WAGES-REGULAR	174,701.00
15-6170-128 NON-PERMANENT SALARIES	58,338.00
15-6170-180 FRINGE BENEFITS	87,672.00
15-6170-212 UNIFORMS	1,200.00
15-6170-220 CONCESSIONS-GLF COURSE	4,000.00
15-6170-251 AUTOMOTIVE SUPPLIES	10,000.00
15-6170-295 BANK CREDIT CARD SERV CHARGES	2,000.00
15-6170-299 DEPT MATERIALS AND SUPPLIES	75,000.00
15-6170-311 TRAVEL AND TRAINING	1,100.00
15-6170-321 TELEPHONE	600.00
15-6170-325 POSTAGE	100.00
15-6170-331 ELECTIC UTILITIES	6,000.00
15-6170-333 NATURAL GAS UTILITIES	1,600.00
15-6170-351 BLDGS & GRDS REPAIR AND MAINT	15,000.00
15-6170-352 EQUIPMENT SERVICE AND REPAIR	30,000.00
15-6170-353 VEHICLE MAINTENANCE AND REPAIR	1,000.00
15-6170-397 CONTRACTED SERVICES	3,290.00
15-6170-450 INSURANCE	4,600.00
15-6170-491 DUES AND SUBSCRIPTIONS	1,313.00

TOWN OF FOREST CITY

FY 2019-2020

PARKS & RECREATION LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
15-6170-525 NON-DEPR C O EQUIP	5,000.00
15-6170-550 C O EQUIPMENT	152,480.00
15-6170-590 C O OTHER IMPROVEMENTS	58,000.00
15-6170-707 IT EQUIP-NON-DEPRECIABLE	1,300.00
6170 GOLF COURSE	<u>694,294.00</u>

6180 FOREST CITY CLUB HOUSE

15-6180-128 NON PERMANENT SALARIES	2,340.00
15-6180-180 FRINGE BENEFITS	932.00
15-6180-299 DEPT MATERIALS AND SUPPLIES	3,000.00
15-6180-331 ELECTRIC UTILITIES	2,500.00
15-6180-333 NATURAL GAS UTILITIES	1,000.00
15-6180-351 BLDGS & GRDS REPAIR AND MAINT	15,000.00
15-6180-352 EQUIPMENT SERVICE AND REPAIR	2,000.00
15-6180-397 CONTRACTED SERVICES	3,960.00
15-6180-450 INSURANCE	1,400.00
15-6180-525 NON-DEPR C O EQUIP	5,000.00
15-6180-707 IT EQUIP-NON DEPRECIABLE	1,000.00
6180 FOREST CITY CLUB HOUSE	<u>38,132.00</u>

6801 DEBT SERVICE

15-6801-801 LOAN PRINCIPAL	166,667.00
15-6801-802 LOAN INTEREST	12,994.00
6801 DEBT SERVICE	<u>179,661.00</u>

15 PARKS AND RECREATION

<u>2,527,966.00</u>
<u>2,527,966.00</u>

TOWN OF FOREST CITY

FY 2019-2020

WATER & SEWER LINE ITEM REVENUE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
61 WATER AND SEWER	
61-3710-520 TAPS AND CONNECTION FEES	40,000.00
61-3710-540 WATER TANK-ANTENNA RENT	24,328.00
61-3712-510 CHARGES FOR UTILITIES/WATER	3,560,000.00
61-3712-516 BOSTIC WATER SERVICES	15,000.00
61-3712-517 CONCORD WATER SERVICES	25,000.00
61-3713-510 CHARGES FOR UTILITIES/SEWER	1,600,000.00
61-3713-513 SEPTAGE USER FEES	6,000.00
61-3713-516 ELLENBORO SEWER CHARGES	75,000.00
61-3831-497 INTEREST EARNED WA/SE FUND	60,000.00
61-3839-892 HORSEHEAD ID LOAN REPAYMENT	142,858.00
61-3840-891 CUSTOMER SERVICES	3,600.00
61 WATER AND SEWER	<u>5,551,786.00</u>
	<u>5,551,786.00</u>

FY 2019-2020

TOWN OF FOREST CITY  
WATER & SEWER EXPENDITURE BUDGET SUMMARY

	<u>ORIGINAL BUDGET</u>
6801 DEBT SERVICE	<u>55,516.00</u>
7110 ADMINISTRATION AND BILLIN	<u>712,308.00</u>
7120 WATER OPERATIONS AND CONS	<u>983,000.00</u>
7121 WATER PLANT	<u>1,017,233.00</u>
7130 SEWER OPERATIONS AND CONS	<u>629,719.00</u>
7131 WASTE TREATMENT PLANT	<u>960,387.00</u>
7132 WWTP-RIVERSTONE	<u>199,535.00</u>
7135 PUMP MAINTENANCE/STORAGE	<u>845,587.00</u>
7140 WATER METER SERVICES	<u>124,297.00</u>
7145 DEBT PAYMENTS	<u>24,204.00</u>
61 WATER AND SEWER	<u>5,551,786.00</u>
	<u>5,551,786.00</u>



TOWN OF FOREST CITY

FY 2019-2020

WATER & SEWER LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
61 WATER AND SEWER	
6801 DEBT SERVICE	
61-6801-804 LEASE PURCHASE DEBT SERVICE	55,516.00
6801 DEBT SERVICE	<u>55,516.00</u>
7110 ADMINISTRATION AND BILLIN	
61-7110-121 SALARIES & WAGES-REGULAR	163,441.00
61-7110-129 OVERTIME-SALARIES	5,000.00
61-7110-180 FRINGE BENEFITS	73,041.00
61-7110-299 DEPT MATERIALS AND SUPPLIES	18,000.00
61-7110-321 TELEPHONE	500.00
61-7110-325 POSTAGE	32,000.00
61-7110-350 BAD DEBTS	30,000.00
61-7110-351 BUILDING AND GRDS REPAIRS AND	10,000.00
61-7110-352 MAINT TO EQUIPMENT	1,000.00
61-7110-397 CONTRACTED SERVICES	12,900.00
61-7110-450 INSURANCE AND BONDS	1,900.00
61-7110-525 NON DEPRECIABLE EQUIP	5,000.00
61-7110-707 IT EQUIP-NON DEPRECIABLE	3,500.00
61-7110-998 GENERAL FD ADMIN REIMBURSE	<u>356,026.00</u>
7110 ADMINISTRATION AND BILLIN	<u>712,308.00</u>
7120 WATER OPERATIONS AND CONS	
61-7120-121 SALARIES & WAGES-REGULAR	296,729.00
61-7120-129 OVERTIME-SALARIES	12,000.00
61-7120-180 FRINGE BENEFITS	131,121.00
61-7120-195 PROFESSIONAL SERVICES-ENGINEER	20,000.00
61-7120-212 UNIFORMS	4,300.00
61-7120-251 AUTOMOTIVE SUPPLIES	22,000.00
61-7120-299 DEPT MATERIALS AND SUPPLIES	180,000.00
61-7120-311 TRAVEL AND TRAINING EXPENSE	3,000.00
61-7120-321 TELEPHONE	3,200.00
61-7120-352 MAINT & REPAIR OF EQUIPMENT	12,000.00
61-7120-353 MAINT & REPAIR AUTOS & TRUCKS	15,000.00
61-7120-397 CONTRACTED SERVICES	32,600.00
61-7120-450 INSURANCE	13,500.00
61-7120-491 DUES AND SUBSCRIPTIONS	1,350.00
61-7120-492 811 MEMBERSHIP AND FEES	800.00
61-7120-525 NON-DEPR C O EQUIP	7,500.00
61-7120-550 C O EQUIPMENT	65,000.00

TOWN OF FOREST CITY

FY 2019-2020

WATER & SEWER LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
61-7120-590 C O OTHER IMPROVEMENTS	61,400.00
61-7120-591 C O OTHER-RESERVE	100,000.00
61-7120-707 IT NON-DEP EQUIPMENT	1,500.00
7120 WATER OPERATIONS AND CONS	<u>983,000.00</u>
7121 WATER PLANT	
61-7121-121 SALARIES AND WAGES-REGULAR	305,486.00
61-7121-129 OVERTIME-SALARIES	5,400.00
61-7121-180 FRINGE BENEFITS	142,061.00
61-7121-195 ENGINEERING SERVICES	5,000.00
61-7121-212 UNIFORMS	3,500.00
61-7121-251 AUTOMOTIVE SUPPLIES	1,000.00
61-7121-299 DEPT MATERIALS AND SUPPLIES	140,000.00
61-7121-311 TRAVEL AND TRAINING EXPENSE	1,150.00
61-7121-321 TELEPHONE	3,000.00
61-7121-325 POSTAGE	2,000.00
61-7121-331 ELECTRIC UTILITIES	90,000.00
61-7121-351 BLDGS AND GRDS-REPAIR AND MAIN	22,940.00
61-7121-352 EQUIPMENT SERVICE AND REPAIR	20,000.00
61-7121-353 VEHICLE SERVICE AND REPAIR	900.00
61-7121-397 CONTRACTED SERVICES	34,000.00
61-7121-450 INSURANCE AND BONDS	26,500.00
61-7121-491 DUES AND SUBSCRIPTIONS	9,996.00
61-7121-590 C O OTHER IMPROVEMENTS	200,000.00
61-7121-707 IT EQUIP-NON DEPRECIABLE	4,300.00
7121 WATER PLANT	<u>1,017,233.00</u>
7130 SEWER OPERATIONS AND CONS	
61-7130-121 SALARY AND WAGES-REGULAR	125,786.00
61-7130-129 OVERTIME-SALARIES	2,000.00
61-7130-180 FRINGE BENEFITS	69,433.00
61-7130-195 PROFESSIONAL SERVICES-ENGINEER	6,000.00
61-7130-212 UNIFORMS	2,100.00
61-7130-251 AUTOMOTIVE SUPPLIES	12,000.00
61-7130-299 DEPT MATERIALS AND SUPPLIES	20,000.00
61-7130-311 TRAVEL AND TRAINING EXPENSE	2,000.00
61-7130-321 TELEPHONE	500.00
61-7130-352 MAINT AND REPAIR-EQUIPMENT	6,000.00
61-7130-353 MAINT AND REPAIR-AUTOS AND TRU	6,000.00

TOWN OF FOREST CITY

FY 2019-2020

WATER & SEWER LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
61-7130-397 CONTRACTED SERVICES	80,000.00
61-7130-450 INSURANCE AND BONDS	6,000.00
61-7130-490 PERMITS	1,500.00
61-7130-491 DUES AND SUBSCRIPTIONS	800.00
61-7130-492 811 MEMBERSHIP AND FEES	600.00
61-7130-525 NON-DEPR C O EQUIP	2,000.00
61-7130-550 C O EQUIPMENT	112,000.00
61-7130-590 C O OTHER IMPROVEMENTS	75,000.00
61-7130-591 C O OTHER-RESERVE	100,000.00
7130 SEWER OPERATIONS AND CONS	<u>629,719.00</u>

7131 WASTE TREATMENT PLANT

61-7131-121 SALARIES AND WAGES-REGULAR	272,014.00
61-7131-129 OVERTIME-SALARIES	9,000.00
61-7131-180 FRINGE BENEFITS	118,227.00
61-7131-195 PROFESSIONAL SERVICES-ENGINEER	2,500.00
61-7131-212 UNIFORMS	2,500.00
61-7131-251 AUTOMOTIVE SUPPLIES	4,000.00
61-7131-299 DEPT MATERIALS AND SUPPLIES	100,000.00
61-7131-311 TRAVEL AND TRAINING EXPENSE	1,000.00
61-7131-321 TELEPHONE	2,500.00
61-7131-325 POSTAGE	700.00
61-7131-331 ELECTRIC UTILITIES	110,000.00
61-7131-332 UTILITIES-FUEL OIL	2,000.00
61-7131-333 UTILITIES-PROPANE GAS	1,000.00
61-7131-351 BLDGS AND GRDS-REPAIR AND MAIN	75,000.00
61-7131-352 EQUIPMENT SERVICE AND REPAIR	30,000.00
61-7131-353 VEHICLE SERVICE & REPAIR	1,500.00
61-7131-397 CONTRACTED SERVICES	118,250.00
61-7131-398 CONT SERV/SPECIAL EPA FEES/IND	2,000.00
61-7131-450 INSURANCE AND BONDS	30,000.00
61-7131-490 PERMITS	7,000.00
61-7131-491 DUES AND SUBSCRIPTIONS	3,000.00
61-7131-525 NON-DEPR C O EQUIP	10,000.00
61-7131-550 C O EQUIPMENT	33,246.00
61-7131-590 OTHER IMPROVEMENTS	20,000.00
61-7131-707 IT EQUIP-NON-DEPRECIABLE	4,950.00
7131 WASTE TREATMENT PLANT	<u>960,387.00</u>

TOWN OF FOREST CITY

FY 2019-2020

WATER & SEWER LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
7132 WWTP-RIVERSTONE	
61-7132-121 SALARIES	42,294.00
61-7132-129 OVERTIME-SALARIES	2,000.00
61-7132-180 FRINGE BENEFITS	20,911.00
61-7132-212 UNIFORMS	500.00
61-7132-251 AUTOMOTIVE SUPPLIES	1,000.00
61-7132-299 DEPT MATERIALS AND SUPPLIES	10,000.00
61-7132-311 TRAVEL AND TRAINING	200.00
61-7132-321 TELEPHONE	1,500.00
61-7132-331 ELECTRIC UTILITIES	15,000.00
61-7132-332 UTILITIES - FUEL OIL	1,000.00
61-7132-351 BLDGS AND GRDS-REPAIR AND MAIN	3,000.00
61-7132-352 EQUIPMENT SERVICE AND REPAIR	10,000.00
61-7132-353 VEHICLE SERVICE AND REPAIR	500.00
61-7132-397 CONTRACTED SERVICES	83,900.00
61-7132-398 CONT SERV/SPEC EPA FEE/IND	2,000.00
61-7132-450 INSURANCE AND BONDS	2,100.00
61-7132-490 PERMITS	1,000.00
61-7132-491 DUES AND SUBSCRIPTIONS	130.00
61-7132-525 NON-DEPR C O EQUIP	2,500.00
7132 WWTP-RIVERSTONE	<u>199,535.00</u>
7135 PUMP MAINTENANCE/STORAGE	
61-7135-121 SALARIES AND WAGES-REGULAR	184,703.00
61-7135-129 OVERTIME-SALARIES	5,500.00
61-7135-180 FRINGE BENEFITS	75,034.00
61-7135-195 PROFESSIONAL SERVICES-ENGINEER	10,000.00
61-7135-212 UNIFORMS	2,100.00
61-7135-251 AUTOMOTIVE SUPPLIES	7,000.00
61-7135-299 DEPT MATERIALS AND SUPPLIES	15,000.00
61-7135-311 TRAVEL AND TRAINING EXPENSE	1,250.00
61-7135-321 TELEPHONE	3,000.00
61-7135-331 ELECTRIC UTILITIES	100,000.00
61-7135-332 DIESEL FOR GENERATORS	3,500.00
61-7135-333 NATURAL GAS UTILITIES	1,000.00
61-7135-351 BLDGS & GRDS-REPAIR & MAINT	8,000.00
61-7135-352 EQUIPMENT SERVICE AND REPAIR	60,000.00
61-7135-353 VEHICLE SERVICE AND REPAIR	5,000.00
61-7135-397 CONTRACTED SERVICES	185,000.00

TOWN OF FOREST CITY

FY 2019-2020

WATER & SEWER LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
61-7135-450 INSURANCE	13,000.00
61-7135-491 DUES AND SUBSCRIPTIONS	1,000.00
61-7135-525 NON-DEPR C O EQUIP	13,000.00
61-7135-590 C O OTHER IMPROVEMENTS	107,500.00
61-7135-591 C O OTHER-RESERVE	45,000.00
7135 PUMP MAINTENANCE/STORAGE	<u>845,587.00</u>
7140 WATER METER SERVICES	
61-7140-121 SALARIES AND WAGES-REGULAR	56,499.00
61-7140-129 OVERTIME-SALARIES	2,000.00
61-7140-180 FRINGE BENEFITS	28,662.00
61-7140-212 UNIFORMS	1,700.00
61-7140-251 AUTOMOTIVE SUPPLIES	3,500.00
61-7140-299 DEPT MATERIALS AND SUPPLIES	1,500.00
61-7140-311 TRAVEL AND TRAINING	500.00
61-7140-321 TELEPHONE	1,400.00
61-7140-352 EQUIPMENT SERVICE & REPAIR	3,000.00
61-7140-353 VEHICLE SERVICE & REPAIR	2,000.00
61-7140-397 CONTRACTED SERVICES	1,500.00
61-7140-450 INSURANCE AND BONDS	2,400.00
61-7140-491 DUES AND SUBSCRIPTIONS	986.00
61-7140-525 NON-DEPRECIABLE CO EQUIP	1,000.00
61-7140-550 C O EQUIPMENT	15,000.00
61-7140-707 IT EQUIP-NON-DEPRECIABLE	2,650.00
7140 WATER METER SERVICES	<u>124,297.00</u>
7145 DEBT PAYMENTS	
61-7145-801 LOAN PRINCIPAL-CBD DENR	24,204.00
7145 DEBT PAYMENTS	<u>24,204.00</u>
61 WATER AND SEWER	<u>5,551,786.00</u>
	<u>5,551,786.00</u>

FY 2019-2020

TOWN OF FOREST CITY  
ELECTRIC FUND LINE ITEM REVENUE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
63 ELECTRIC FUND	
63-3722-510 ELECTRIC UTILITY CHARGES	12,500,000.00
63-3722-513 RENEWABLE ENERGY RIDER	65,000.00
63-3722-516 BOSTIC ELEC WORK	20,000.00
63-3722-520 TAPS AND CONNECTION FEES	2,000.00
63-3722-531 TRANSFER FEES	5,000.00
63-3722-581 PENALTY FOR LATE PAYMENT	150,000.00
63-3722-583 DELINQUENT ADMIN FEE	100,000.00
63-3831-498 INTEREST EARNED ON INVESTMENTS	60,000.00
63-3834-860 POLE RENTALS	11,208.00
63-3991-995 FUND BALANCE APPROPRIATED	1,244,267.00
63 ELECTRIC FUND	<u>14,157,475.00</u>
	<u>14,157,475.00</u>

FY 2019-2020

TOWN OF FOREST CITY  
ELECTRIC FUND EXPENDITURE BUDGET SUMMARY

	<u>ORIGINAL BUDGET</u>
6801 DEBT SERVICE	<u>17,475.00</u>
7210 ADMINISTRATION AND BILLIN	<u>801,910.00</u>
7220 ELECTRIC OPERATIONS AND C	<u>9,245,379.00</u>
7240 ELECTRIC METER SERVICES	<u>142,111.00</u>
9800 TRANSFERS TO OTHER FUNDS	<u>3,950,600.00</u>
63 ELECTRIC FUND	<u>14,157,475.00</u>
	<u>14,157,475.00</u>

TOWN OF FOREST CITY

FY 2019-2020

ELECTRIC FUND LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
63 ELECTRIC FUND	
6801 DEBT SERVICE	
63-6801-801 DEBT PAYMENTS	17,475.00
6801 DEBT SERVICE	<u>17,475.00</u>
7210 ADMINISTRATION AND BILLIN	
63-7210-121 SALARIES AND WAGES-REGULAR	143,472.00
63-7210-129 OVERTIME-SALARIES	3,000.00
63-7210-180 FRINGE BENEFITS	57,174.00
63-7210-295 BANK CREDIT CARD SERV CHARGES	100,000.00
63-7210-299 MATERIALS AND SUPPLIES	10,000.00
63-7210-311 TRAVEL & TRAINING EXPENSE	2,000.00
63-7210-321 TELEPHONE	500.00
63-7210-325 POSTAGE	10,200.00
63-7210-350 BAD DEBTS	200,000.00
63-7210-351 BUILDING AND GRDS REPAIRS AND	5,000.00
63-7210-352 MAINT TO EQUIPMENT	1,000.00
63-7210-397 CONTRACTED SERVICES	12,900.00
63-7210-450 INSURANCE AND BONDS	1,000.00
63-7210-525 NON DEPRECIABLE EQUIPMENT	5,000.00
63-7210-707 IT EQUIPMENT-NON DEPRECIABLE	3,500.00
63-7210-999 GENERAL FD ADMIN REIMBURSEMENT	<u>247,164.00</u>
7210 ADMINISTRATION AND BILLIN	<u>801,910.00</u>
7220 ELECTRIC OPERATIONS AND C	
63-7220-121 SALARIES AND WAGES-REGULAR	327,602.00
63-7220-129 OVERTIME-SALARIES	45,000.00
63-7220-180 FRINGE BENEFITS	149,978.00
63-7220-195 PROFESSIONAL SERVICES	30,000.00
63-7220-212 UNIFORMS	7,800.00
63-7220-251 AUTOMOTIVE SUPPLIES	20,000.00
63-7220-270 PURCHASES FOR RESALE	7,100,000.00
63-7220-299 DEPT SUPPLIES AND MATERIALS	200,000.00
63-7220-311 TRAVEL AND TRAINING EXPENSE	7,900.00
63-7220-321 TELEPHONE	4,000.00
63-7220-331 ELECTRIC UTILITIES	19,000.00
63-7220-332 DIESEL FOR GENERATORS	160,000.00
63-7220-352 EQUIPMENT SERVICE AND REPAIRS	122,000.00
63-7220-353 VEHICLE SERVICE AND REPAIRS	17,500.00
63-7220-397 CONTRACTED SERVICES	225,000.00



TOWN OF FOREST CITY

FY 2019-2020

ELECTRIC FUND LINE ITEM EXPENDITURE BUDGET

<u>ACCOUNT NUMBER/DESCRIPTION</u>	<u>ORIGINAL BUDGET</u>
63-7220-438 CHRISTMAS DECORATIONS	94,000.00
63-7220-439 RENTAL OF EQUIPMENT	2,000.00
63-7220-450 INSURANCE AND BONDS	20,000.00
63-7220-490 PERMITS	1,000.00
63-7220-491 DUES AND SUBSCRIPTIONS	1,778.00
63-7220-492 811 MEMBERSHIP AND FEES	700.00
63-7220-525 NON-DEPR C O EQUIP	49,000.00
63-7220-550 C O EQUIPMENT	90,000.00
63-7220-590 C O OTHER IMPROVEMENTS	412,608.00
63-7220-591 OAK STREET DOT PROJECT	57,013.00
63-7220-592 C O OTHER-RESERVE	50,000.00
63-7220-707 IT EQUIP-NON DEPRECIABLE	31,500.00
7220 ELECTRIC OPERATIONS AND C	<u>9,245,379.00</u>

7240 ELECTRIC METER SERVICES

63-7240-121 SALARIES AND WAGES-REGULAR	56,499.00
63-7240-129 OVERTIME-SALARIES	2,000.00
63-7240-180 FRINGE BENEFITS	28,662.00
63-7240-212 UNIFORMS	1,700.00
63-7240-251 AUTOMOTIVE SUPPLIES	3,500.00
63-7240-299 DEPT MATERIALS AND SUPPLIES	10,000.00
63-7240-311 TRAVEL AND TRAINING	3,000.00
63-7240-321 TELEPHONE	1,400.00
63-7240-352 EQUIPMENT SERVICE AND REPAIR	3,000.00
63-7240-353 VEHICLE SERVICE & REPAIR	2,000.00
63-7240-397 CONTRACTED SERVICES	9,000.00
63-7240-450 INSURANCE AND BONDS	2,500.00
63-7240-491 DUES AND SUBSCRIPTIONS	200.00
63-7240-525 NON-DEPR C O EQUIP	1,000.00
63-7240-550 C O EQUIPMENT	15,000.00
63-7240-707 IT EQUIP-NON-DEPRECIABLE	2,650.00
7240 ELECTRIC METER SERVICES	<u>142,111.00</u>

9800 TRANSFERS TO OTHER FUNDS

63-9800-981 TRANSFERS TO GENERAL FUND	2,589,534.00
63-9800-982 TRANSFERS TO PARKS & RECREATIO	1,361,066.00
9800 TRANSFERS TO OTHER FUNDS	<u>3,950,600.00</u>

63 ELECTRIC FUND

14,157,475.00  
14,157,475.00